

VIA EMAIL AND OVERNIGHT MAIL

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Re: Vo-Toys Superfund Site, Harrison, New Jersey,
Request for General Notice of Liability Letters and to Add Albanese
Development Corporation, Albanese Organization, Inc., and Albanese
Harrison Lofts, LLC, as Respondents to the Proposed ASAO

Dear Mr. van Itallie:

On behalf of General Electric Company ("GE"), we write to respectfully request that the United States Environmental Protection Agency ("EPA") issue General Notice of Liability letters ("GNLs") to Albanese Development Corporation ("ADC"), Albanese Organization, Inc., ("AOI") and Albanese Harrison Lofts, LLC ("AHL"),¹ based on their responsibility and liability at the Vo-Toys Superfund Site located in Harrison, New Jersey (the "Site"). These entities should also be included as respondents on any Administrative Settlement Agreement and Order on Consent ("ASAO") for the Removal Action for the Site, and, if needed, compelled to participate and cooperate in any potential obligation to finance response actions that may be necessary at the Site.

As documented by the facts and attached documents referenced in this letter,² ADC and AOI are "operators" of the Site pursuant to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), and in particular Sections 107(a)(1) and (2), 42 U.S.C. § 9607(a)(1) & (2). Additionally, as explained in the accompanying expert report from FTI ("FTI Report"), these entities, and their affiliate AHL, have contractual and other financial obligations to BRG which rebut any alleged inability to pay claim by BRG and which separately and independently support GE's request that EPA notice them as liable parties at the Site and include them as Respondents on the ASAO.

BOSTON

HARTFORD

STAMFORD

NEW YORK

NEWARK

EAST BRUNSWICK

PHILADELPHIA

WILMINGTON

WASHINGTON, DC

¹ ADC, AOI and AHL are sometimes referred to as the "Albanese Entities."

² For ease of reference a table of the attached Exhibits is provided at the end of this letter.

I. ADC and AOI Operator Liability

A. Summary Discussion of the Law and the Facts

“Under the plain language of [CERCLA], any person who operates a polluting facility is directly liable for the costs of cleaning up the pollution.” *U.S. v. Best Foods*, 524 U.S. 51, 65 (1998) (citing 42 U.S.C. § 9607(a)(2)). ADC and AOI are such persons under the statute and applicable law and thus should be sent GNLs consistent with EPA’s guidance that “[g]eneral notice letters should be sent to all parties where there is sufficient evidence to make a preliminary determination of potential liability under § 107 of CERCLA.”³

The United States Supreme Court has articulated the standard that guides whether a party is an “operator” under Section 107(a)(2) of CERCLA:

[U]nder CERCLA, an operator is simply someone who directs the workings of, manages, or conducts the affairs of a facility. To sharpen the definition for purposes of CERCLA’s concern with environmental contamination, an operator must manage, direct, or conduct operations specifically related to pollution, that is, operations having to do with the leakage or disposal of hazardous waste, or decisions about compliance with environmental regulations.

Best Foods, 524 U.S. at 66-67.

The factual record demonstrates that ADC and AOI operated every aspect of the Site after the Site owner, BRG Harrison Lofts Urban Renewal, LLC (“BRG”),⁴ purchased the property in June 2015. ADC and AOI were the primary points of contact with contractors and consultants, soliciting, selecting, directing, conducting and overseeing their work. Some of these contractors – specifically the demolition and lead abatement contractors – undertook significant activities that disturbed building materials leading to the generation, mobilization and release of mercury vapors (in other words, disposal of hazardous substances).

Indeed, it was ADC’s and AOI’s management decision-making and direction that specifically led to continued demolition – meaning even more disposal and pollution – following their October 2015 round of mercury vapor sampling

³ EPA Interim Guidance on Notice Letters, Negotiations, and Information Exchange, available at <https://www.epa.gov/enforcement/interim-guidance-notice-letters-negotiations-and-information-exchange>.

⁴ BRG Harrison Lofts Urban Renewal, LLC, is a joint venture between Albanese Harrison Lofts, LLC (an affiliate of ADC) and BRG LampWorks Ventures, LLC. See generally, Amended and Restated Operating Company Agreement of BRG Harrison Lofts Urban Renewal, LLC, dated June 8, 2005 (“BRG Operating Agreement”), **Exhibit 1**. To the best of GE’s knowledge, ADC is a subsidiary of AOI.

undertaken in Buildings A, B and C at the Site. ADC's and AOI's management decisions to direct and conduct further demolition and power-washing was done despite concerns and questions raised between BRG, ADC, AOI and their environmental consultants as to whether another round of sampling should be completed before further development activities went forward.⁵ These are the very kind of operational and management decisions related to compliance with environmental regulations or having to do with disposal of hazardous waste that the Supreme Court had in mind in *Best Foods*. As result, ADC and AOI, along with BRG, are liable parties under 42 U.S.C. § 9607(a).

B. ADC and AOI are Operators of the Site Under CERCLA

GE respectfully requests that EPA consider the following facts and circumstances, which support the conclusion that ADC and AOI are liable as operators of the Site under CERCLA as they managed and directed the workings, and conducted the affairs, of the Site, including the disposal of hazardous substances and decisions made with respect to environmental compliance. See 42 U.S.C. § 9607(a)(2); *U.S. v. Best Foods*, 524 U.S. 51, 65-67 (1998). ADC also continues to act as operator, supervising the mercury investigation and remediation at the property site, which subjects it to current operator liability under CERCLA. See 42 U.S.C. § 9607(a)(1); *Litgo N.J. Inc. v. NJDEP*, 725 F.3d 369, 381-82 (3d Cir. 2013) (*citing Best Foods*, 524 U.S. at 66) (finding current operator liability for PRP that managed remedial activities at the site).

1. Site Background

EPA is familiar with the background and recent activities at the Site, including the issuance of GNLs to both GE and the Site owner BRG on or about July 25, 2018. Previously, GE voluntarily and cooperatively undertook a characterization study pursuant to a detailed Building Assessment Work Plan (March 2018), which was approved by EPA in May 2018. The results of that study were submitted to EPA on January 7, 2019, in a Building Assessment Summary Report ("BASR"). To date, GE is the only party that has performed any response actions at the Site.

⁵ On January 7, 2019, GE submitted to EPA a Building Assessment Summary Report ("BASR"), prepared by Anchor-QEA, which summarizes the results of the building assessment program conducted at the Vo-Toys Site. The BASR evaluates the potential presence and extent of mercury impacts to building materials and interior subsurface structures and associated piping/conduits within the Site buildings. Section 1.3.3 of the BASR documents redevelopment activities by ADC and AOI that led to the discharge, release and disposal of mercury at the Site. (See BASR Table 1-3, noting "[i]n addition, Building A mercury vapor readings recorded by Langan during the week of October 16, 2015 demonstrated an order of magnitude increase following power washing when compared to mercury vapor readings collected (by Langan) prior to the pre-lead abatement power washing.")

Historically, from 1882 to 1927, Edison Lampworks and Edison General Electric manufactured incandescent lamps and other products on a much larger parcel, which included the buildings now at issue. In about 1927, the property was sold to Radio Company of America ("RCA"), which began making vacuum tubes at the Site. RCA was not affiliated with GE at that time. In 1976, RCA closed its operations and sold the property and buildings to International Fastener Research Corporation ("IFRC"). A year later, in 1977, IFRC sold the property to V.I.P. Realty/Vo-Toys. In 1986, ten years after RCA sold the property and buildings to IFRC, GE acquired RCA. This happened approximately 40 years before BRG purchased the property from V.I.P./Vo-Toys.

GE has not owned or operated at the Site for over 85 years. BRG inspected the buildings and conducted other due diligence with the assistance of experienced environmental consultants before it purchased the Site in 2015.⁶

2. ADC and AOI Managed, Directed and Controlled Site Operations Having to Do With the Disposal of Hazardous Substances

Shortly after BRG purchased and closed on the property in 2015, ADC was designated the "Developer" of the Site, which had responsibility for providing "all development management services necessary to design, build, and complete the [redevelopment] project" under the BRG Operating Agreement. See Ex. 1, at p. 34, Sec. 5.7(a). ADC then started aggressive and comprehensive interior demolition work, including the removal of sheetrock walls, sprinkler systems, steam heating systems, and electrical fixtures and conduit in all three buildings. See BRG Responses to GE Interrogatories, dated July 21, 2017, at 31-32, **Exhibit 2**. Additionally, lead paint abatement in all three buildings required the power-washing or hand scrapping of walls. See *id.* at 22. These Site operations and activities led to the release and disposal of hazardous substances (mercury). The BASR provides further detail of recent observations of redevelopment preparations undertaken within the buildings as compared to photographs from 2015, such as removed bathrooms and associated piping, asbestos-containing floor tiles, and process piping (such as vacuum piping) that may have been associated with historical operations. See BASR, Table 1-3, at 8-9.

These demolition and remedial efforts were managed by ADC, as Developer. In this role, ADC retained, coordinated, directed and managed the Site's contractors, subcontractors, and consultants, including those who conducted the

⁶ Between 2012 and 2015, BRG carefully negotiated its purchase of the Site with the former owner and operator and with environmental conditions firmly in mind. Following additional environmental investigations, it then entered into an indemnity and settlement agreement with GE, which released GE from certain claims in exchange for GE's agreement to address subsurface conditions at the Site. The BRG-GE settlement agreement specifically states that such things as mercury in building materials would not be GE's responsibility (at least as between BRG and GE).

demolition and lead paint abatement work that has caused or contributed to the release of mercury at the Site as a result of the physical disturbance of building materials.⁷ ADC, however, heavily relied upon AOI and its employees to fulfill its Developer obligations.

Persons identified as ADC personnel managed and supervised day-to-day operations at the Site, although in reality, these individuals were AOI employees put in the ADC Project Staff positions identified in the BRG Operating Agreement (for which BRG was periodically invoiced). See, e.g., Ex. 1, Operating Agreement, § 5.7(e). For example, invoices to BRG show ADC Project Staff as including Matthew Frankenberry, an AOI Vice President with a 20 year tenure at AOI, and Madelyn Cruz, a 15 year AOI employee. See Summary of Fees from ADC, dated 7/1/2015-9/30/2015; 9/28/2015-12/31/2015; 1/4/2016-4/29/2016, **Exhibit 3**; www.albaneseorg.com/team (listing M. Frankenberry as AOI Vice President); www.linkedin.com/in/madelyn-cruz-4546ab37 (identifying ADC Project Administrator M. Cruz as 15 year AOI employee). In addition, James Wansor was hired by AOI, but the recruitment fee to place him at the company was paid by ADC and then charged back to BRG as an expense to the project. See *generally*, FTI Report at § VI.D.2, pp. 25-27.

BRG, ADC and AOI business records evidence the pervasive involvement of these individuals, and other AOI employees, exercising control over the facility on behalf of ADC and AOI, especially in late 2015 and early 2016, in all aspects of the Site operations. ADC developed the project schedule for the Site to manage demolition and remedial activities. See ADC Project Schedule, dated 7/6/2015, **Exhibit 4**. Overseeing these operations at the Site, ADC and AOI solicited and evaluated bid proposals, executed consulting agreements, held bi-weekly project meetings, including on environmental compliance issues, with the construction manager and various consultants, and interacted on behalf of the Site with municipal offices. See Project Meeting Minutes, dated 7/8/15-1/20/16, **Exhibit 5**. More specifically, ADC and AOI personnel were involved with the following:

- Request for Proposal packages sent to prospective construction managers were sent by the ADC Project Administrator through an AOI email address on AOI letterhead, but identified as on behalf of ADC. See, e.g., ADC Project Administrator email to McGowan Builders with RFP, dated 4/16/15, **Exhibit 6**; RFP Template, **Exhibit 7**.

⁷ The BASR, Section 6, concludes that “[t]he results of the building assessment provided multiple lines of evidence to indicate that the mercury vapors recorded within the building interiors are associated with elemental mercury sources located in building materials and above the building slabs.” Moreover, citing an EPA study, the BASR notes: “[o]ne of the known mechanisms to cause generation of mercury vapors is physical disturbance of mercury beads.”

- Bid packages, such as the one for Force Demolition which did interior demolition work in October/November 2015, were evaluated by ADC Project Manager Matthew Frankenberry. See Evaluation for demo contractor Force Services, dated 7/1/2015, **Exhibit 8**.
 - ADC negotiated the terms of subcontractor contracts such as the interior design consultant agreement and electrical subcontractor. See Email exchange between J. Becker and RD Jones, dated 9/10-9/20/15 (AOI's Jack Becker, identified as an "ADC Executive" in the Operating Agreement, negotiated with RD Jones); and RDJA Agreement (J. Becker executed the agreement) **Exhibit 9**; Sky Electrical Demolition Contract, Sch. 2, **Exhibit 10** ("On September 10, 2015, Matt Frankenberry and Daniel Stack agreed on a total amount of \$46,000.").
 - ADC submitted plans to the Town of Harrison for permit review. See, e.g., Meeting Minutes, dated 1/20/16 at Item 6 ("ADC to proceed with submitting plans for permit review"), **Exhibit 5**.
 - ADC managed and supervised all contractors on the Site by developing and enforcing procedures that all contractors, including the lead and demolition contractors, were required to follow. See Lampworks Contractor Procedure Manual, **Exhibit 11**. Contractors were directed to correspond with ADC regarding all project matters. See *id.* at 6.
3. ADC's and AOI's Management and Direction of the Disposal of Hazardous Substances

As is clear from minutes of the bi-weekly meetings concerning operations and activities at the Site, ADC had decision-making authority over environmental matters, including development of the scope of work for demolition, lead remediation, asbestos removal, and mercury remediation. See, e.g., Ex. 5, 7/8/15 Minutes, Item 2 Environmental ("Schedule – ADC to coordinate mtg. with M[cGowan] B[uilders] to review sequencing ... ADC concerned with underground and injection timing ... Mercury – M[atthew] F[rankenberry] working on scope."); see also ADC's M. Frankenberry email to Minno Wasko, dated 8/7/2015, **Exhibit 12** (commenting on demolition plans).

As the demolition and lead abatement work went forward at the Site in late 2015, ADC was aware that such activity would cause the dispersal and release of hazardous materials. For example, in an email from ADC Senior Project Manager

Matthew Frankenberry,⁸ dated September 22, 2015, less than a month before new rounds of mercury vapor sampling, he reports, “[w]e are doing dirty dusty work now but shortly we will be doing a lead abatement that will have a lot of water and it will be really messy. Some areas will be sealed and access may not be allowed pending this type of work.” See ADC’s M. Frankenberry email, dated 9/22/2015, **Exhibit 13**. Other emails that are contemporaneous with the mercury vapor sampling undertaken in October 2015 show that lead abatement power-washing was going on seemingly simultaneously with mercury vapor sampling. See ADC’s M. Frankenberry email to various BRG contractors and representatives, dated 10/19/2015, **Exhibit 14** (“We have the lead contractor in both A&B ... we need them to cover the 1st floor wood floors before they go any further. As you can see a tremendous amount of water is going between floors.”)

During late 2015 through early 2016, ADC was directing the workings of, managing and conducting the affairs of the Site and, as such, was also fully aware of the extensive disturbances to building materials throughout. See, e.g., M. Frankenberry email, dated 11/19/15, **Exhibit 15** (noting building walk-through and observations of “paint chips and left over materials” from lead abatement work left behind); J. Wansor email, dated 10/26/15, **Exhibit 16** (discussing neighbor complaints to NJDOH re dust exhaust from project work). This remained the case when, in October 2015, as part of the preparation for remediation of previously identified mercury contamination, mercury vapor sampling detected elevated levels on the second and third floors of Building C that were inconsistent with prior pre-purchase results. Despite what BRG called “disturbing news,” when contacting GE, ADC and AOI determined that a single round of preliminary vapor testing in Buildings A and B, as well as screening on the third floor of Building C, all under suboptimal conditions, was sufficient to delay further testing in favor of continued demolition work.⁹ See M. Frankenberry email, dated 10/14/15, **Exhibit 17**; ADC’s M. Frankenberry email, dated 10/22/15, **Exhibit 18**. This demolition work led to the release of mercury. This is the precise type of “decisions about compliance with environmental regulations” that the Supreme Court was referring to when it discussed “CERCLA’s concern with environmental contamination,” and “operations having to do with the leakage or disposal of hazardous waste.” *Best Foods*, 524 U.S. at 66-67.

⁸ Despite the installation of James Wansor as Senior Project Manager in October 2015, AOI’s Matthew Frankenberry continued to also be billed to BRG as a Senior Project Manager through December 2015. See Summary of Fees from ADC, dated 9/28/2015-12/31/2015, **Exhibit 3**.

⁹ Significantly, this round of mercury vapor sampling was conducted with open windows, operating exhaust fans, lower temperatures than the week before when the initial elevated levels were detected, and with plastic sheeting over certain areas of the floor. See Langan email, dated 10/16/15, **Exhibit 19**. The floor covering is notable since ADC had been told specifically by its environmental contractor that the wood floors were a likely source of contamination.

Following the results of the testing in the buildings in mid-October 2015 (of which GE was not informed until January 2016), ADC managed the flow of information about the issue to contractors, ADC issued and oversaw Health and Safety Plans for continued work, and ADC affirmatively called off any further mercury testing until their demolition activities were complete. See ADC's M. Frankenberry email, dated 10/14/15, **Exhibit 17**; ADC's M. Frankenberry email, dated 10/22/2015, **Exhibit 18**. This is yet another example of ADC's direct involvement in management decisions concerning compliance with environmental regulations that led to the release and disposal of mercury.

The decision to proceed with demolition work and power washing/scraping of walls, while delaying additional mercury sampling, likely caused the dispersal of water, debris and hazardous substances contained within the building structures. In the BASR, Anchor QEA reports on mercury vapor sources in each of the Site buildings.

The results of our mercury vapor survey activities at the Site demonstrate that physical disturbance of building materials (such as would occur during redevelopment activities including but not limited to interior demolition and lead abatement) causes the generation and/or release of mercury vapors.

See BASR § 6.1, Mercury Vapor Release via Disturbance of Building Materials.

4. ADC's Operations Overseeing Remediation and the Mercury Funding Agreement

When ADC did decide to have further mercury vapor sampling done in January 2016, the levels were sufficiently elevated that work – and the continued disruption of building materials – finally halted. However, by this time ADC's operational decisions had caused multiple releases of mercury that was previously immobile and trapped in place.

In May 2017, Albanese Harrison Lofts, LLC, BRG Lampworks Ventures, LLC, and BRG Harrison Lofts Urban Renewal, LLC, entered a "Mercury Funding Agreement" that set out how the parties would share funding of the lawsuit against GE and other parties along with other ongoing Site management expenses. See Mercury Funding Agreement, **Exhibit 20**. That agreement modified the operational services to be provided by ADC under the BRG Operating Agreement. See *id.* at § 6(b).

Per the Mercury Funding Agreement, the services defined in the BRG Operating Agreement, Section 5.7(a), delegated to ADC, now included "(i) the maintenance of the Property; (ii) supervision of the mercury investigation and remediation at the Property; and (iii) maintaining current, complete, true and correct

books of account and records pertaining to all costs relating to mercury contamination issues and the development and construction of the Project.” *Id.* (emphasis added.) In other words, despite the cessation of redevelopment activities at the Site, ADC would still actively participate in, and exercise control over, Site operations, including remediation and therefore *per force* decisions about compliance with environmental regulations.

This contractual provision recognized ADC’s continued role at the Site despite the standstill on redevelopment work. Due to its control over Site operations, ADC had already begun to evaluate next steps for the Site and project. By way of example, in February 2016, Langan Engineering and Environmental sent ADC’s James Wansor a proposal for “Building Assessment Monitoring Services.” See Langan Ltr. to J. Wansor, dated 2/22/16, **Exhibit 21**. In September 2016, ADC’s Senior Project Manager James Wansor and ADC Executive Jack Becker reviewed proposals from environmental consultants, engaging in negotiations to obtain the best deal for BRG. See J. Becker email, dated 9/22/16, **Exhibit 22**.

C. Applicable Law Confirms ADC’s and AOI’s Liability as Site Operators

Under CERCLA Section 107(a), ADC and AOI are operators of a facility (the Site and buildings) “who at the time of disposal of any hazardous substance owned or operated any facility at which such hazardous substances were disposed of” 42 U.S.C. § 9607(a)(2). A developer or its manager that engages in site activities that results in the movement or dispersal of hazardous substances is an operator who is responsible for the disposal of hazardous substances. See, e.g., *Bonnieview Homeowners Ass’n v. Woodmont Builders, L.L.C.*, 655 F. Supp. 2d 473, 492–93 (D.N.J. 2009) (holding builder who dispersed contaminated soil for housing redevelopment is an “operator” that disposed of hazardous substances under CERCLA); *Kaiser Aluminum & Chem. Corp. v. Catellus Dev. Corp.*, 976 F.2d 1338, 1341–42 (9th Cir. 1992) (holding contractor who dispersed hazardous chemicals over property while excavating and grading soil for housing development was an “operator” under CERCLA § 107(a)(2)).

ADC’s and AOI’s management and oversight of Site operations lead to the disturbance, mobilization and release of mercury at the Site. This dispersal of hazardous substances, under ADC’s and AOI’s management and direction, imposes liability upon them pursuant to CERCLA because “disposal includes not only the initial introduction of contaminants onto property but also the spreading of contaminants due to subsequent activity.” *Bonnieview Homeowners*, 655 F. Supp. at 491 (quotation omitted) (citing *U.S. v. CDMG Realty Co.*, 96 F.3d 706, 719 (3d Cir. 1996)).

In *Bonnieview Homeowners*, the District of New Jersey held that a builder who moved contaminated soils throughout a site during development of a property for residential use was an operator under CERCLA Section 107(a)(2). The Court

rejected the builder's argument that its movement of previously contaminated soils did not constitute "disposal," instead finding that the removal of the contaminated soil, which was then combined and stockpiled and spread back on the lots was sufficient to impose CERCLA operator liability. 655 F. Supp. at 491-92. Similarly, ADC's and AOI's demolition, power-washing and hand scrapping of walls during development activities mobilized and released mercury from previously trapped behind walls thus spreading of contaminants.¹⁰ Further, ADC and AOI directed and managed interior demolition work, including the removal of sheetrock walls, sprinkler systems, steam heating systems, and electrical fixtures and conduits in all three buildings. See BRG Responses to GE Interrogatories, dated July 21, 2017, at 31-32, **Exhibit 2**. These activities led to the disturbance, mobilization and release of mercury.¹¹

The Court in *Bonnieview Homeowners* also refused to limit the definition of "disposal" to situations where soil that is moved is visibly contaminated or taken from a dirty property to a clean one and the movement worsened conditions." 655 F. Supp. at 492. Thus, ADC and AOI cannot escape their operator liability by asserting that the mercury was not visible, or that they merely spread existing mercury within the buildings' interior, or to a clean site. Indeed, ADC and AOI directed the demolition and power washing activities that led to a release in the face of sampling results that indicated that latent mercury conditions might be far worse than previously reported conditions.¹² Moreover, their demolition and movement of building materials worsened conditions. *Id.* Therefore, in light of ADC and AOI's active management and direction of Site operations, which led to the dispersal and the disposal of mercury, they are operators liable under CERCLA.

In *Kaiser Aluminum*, a company was hired to excavate and grade a portion of land for a proposed housing development. 976 F.2d at 1339. While excavating the development site, the company spread displaced soil, which contained hazardous chemical compounds, over other parts of the property. *Id.* at 1339-40. The Ninth Circuit held that the allegations that the company had "excavated the tainted soil, moved it away from the excavation site, and spread it over uncontaminated portions of the property" were sufficient to state a claim that the

¹⁰ See footnote 5 citing and referring to BASR, Table 1-3 at 8-9, concerning lead-based paint removal and showing that Building A mercury vapor readings recorded by Langan during the week of October 16, 2015 demonstrated an order of magnitude increase following power washing when compared to mercury vapor readings collected (by Langan) prior to the pre-lead abatement power washing.

¹¹ See footnote 7 citing an EPA study, "[o]ne of the known mechanisms to cause generation of mercury vapors is physical disturbance of mercury beads." See also BASR at Sec. 6.1 ("[t]he results of our mercury vapor survey activities at the Site demonstrate that physical disturbance of building materials (such as would occur during redevelopment activities including but not limited to interior demolition and lead abatement) causes the generation and/or release of mercury vapors.

¹² See Exhibits 14-19.

company had “disposed” of a hazardous substance under CERCLA and thus denied the appeal from a motion to dismiss. *Id.* at 1341-42. Like ADC’s and AOI’s control of the Site in making decisions to continue demolition and lead abatement in the face of elevated mercury vapor screening results, the Ninth Circuit was persuaded that the contractor “had sufficient control over th[e] phase of development to be an ‘operator’ under section 9607(a)(2).” *Id.* at 1342.

Moreover, ADC remains a current operator of the Site, responsible for supervising the mercury investigation and remediation, tracking all mercury-related costs, and continued to supply personnel to the site for these purposes. See Mercury Funding Agreement, **Exhibit 20**. This status as current operator, even if only for purposes of overseeing remedial activities is sufficient to impose liability under CERCLA. See *Litgo N.J. Inc. v. NJDEP*, 725 F.3d 369, 381-82 (3d Cir. 2013) (citing *Best Foods*, 524 U.S. at 66) (finding appellants were liable as operators because they had authority to make decisions about environmental compliance and hired environmental consultants to conduct tests and remediation, and oversaw that work).

BRG’s and Albanese’s business records, produced in discovery in their litigation against GE and other parties, shows the extensive involvement of ADC and AOI in demolition and related redevelopment activities at the Site before and after the newly elevated levels of mercury were detected in October 2015. ADC’s and AOI’s participation in and control over the operations of the Site subject them to liability as operators. “[U]nder CERCLA, an operator is simply someone who directs the workings of, manages, or conducts the affairs of a facility. ... an operator must manage, direct, or conduct operations specifically related to pollution, that is, operations having to do with the leakage or disposal of hazardous waste, or decisions about compliance with environmental regulations.” *Best Foods*, 524 U.S. at 66-67.

ADC and AOI managed, directed and conducted demolition and lead abatement activities at the buildings, which resulted in pollution; that is, the release and disposal of hazardous substances, namely the mobilization of mercury that was previously contained. At a minimum, ADC’s and AOI’s decisions exacerbated environmental conditions at the Site. Moreover, based upon the records cited above, ADC and AOI were making decisions about compliance with environmental regulations, such as the need for further sampling, remedial response activities and health and safety compliance. In accordance with the Supreme Court’s decision in *Best Foods*, this makes ADC and AOI liable as operators under CERCLA.

II. The Albanese Entities Responsibility, Financial Ability and Obligations to BRG

GE recognizes that EPA may seek to consider the financial viability of ADC and AOI before embarking on the issuance of GNLs, or including them as

respondents on an ASAOC. To the best of GE's knowledge and belief, based on research and inquiry described herein and in the enclosed FTI Report, ADC is a subsidiary of AOI. Although both entities are privately held, the AOI website (www.albaneseorg.com) boasts its long history in the real estate industry (65+ years) with 50 employees, experience developing over 5 million square feet of real estate and a portfolio of no less than 25 domestic and international multi-million dollar properties. News items about ADC specifically refer to multi-million dollar purchases by the company¹³ and joint ventures of large development projects.¹⁴

Further, after a rigorous financial forensic analysis, the enclosed FTI Report documents and finds that ADC and AOI are not only financially solvent, but that they have boasted of the financial capabilities of their principals, including with respect to the Site – specifically noting that they “have always met their financial obligations.” See, e.g., FTI Report ¶23 and § VII at pp. 53-57.

Indeed, as documented in the FTI Report:

On May 7, 2015, James Polcari, CFO of AOI, sent a letter to Harrison Redevelopment Agency, assuring the Agency about the Albanese Cousins' real estate development experience, the extent of their portfolios, their ability to meet financial obligations, and financial means to complete the development of the project. Within that letter, James Polcari provided assurances that the Albanese Cousins “have always met their financial obligations” and have “**a combined personal net worth in excess of 50 million dollars and liquidity in excess of 20 million dollars.**” (Emphasis added.)

FTI Report ¶ 23.

AOI made this representation in order to be permitted to take an ownership interest in BRG, and to assure the Harrison Redevelopment Agency that those entities had the resources and liquidity necessary to meet project obligations, specifically including environmental remediation costs. See FTI Report ¶ 26 (recounting that Section 2.3(a)(v) of the BRG Operating Agreement includes among its purposes the duty “to **remediate**, redevelop, renovate, improve, own, operate, manage, hold for investment, exchange, subdivide, encumber, maintain, finance, lease, market and/or sell the Property as improved.” (Emphasis added.)

¹³ See Albanese Development Corp. Completes Purchase of 510 West 22nd Street, National Real Estate Investor, 1/11/2012, *available at* <https://www.nreionline.com/new-york/albanese-development-corp-completes-purchase-510-west-22nd-street> (ADC \$54M property purchase in Manhattan).

¹⁴ See <https://www.castagnarealty.com/properties/rfc-realty-company/> (discussing joint venture with ADC of property in Garden City, NY).

As reported by FTI:

the Harrison Redevelopment Agency approved a 'Resolution Authorizing and Approving the Albanese Organization as a Member of BRG Harrison Lofts Urban Renewal LLC' on June 15, 2015. While the title of the resolution refers to Albanese Organization, the body of the resolution notes that 'BRG has requested that the Agency approve a transfer of 50% ownership interest in BRG to the Albanese Development Corporation or one of its affiliates.' (Emphasis added.)

FTI Report ¶ 24. AHL, as a member of the BRG joint venture, and AOI, which represented that it had the financial means to ensure the project, including remediation, should not be allowed to blithely disregard their representations, assurances and obligations.

As the FTI Report underscores, the Albanese Entities have contractual and other obligations to BRG that make them financially responsible for additional capital contributions to BRG for environmental guaranties and to meet "expenses reasonably necessary in order to cause the Property to comply in all material respects with applicable laws (including, without limitation, amounts needed to pay any fines and penalties imposed by any governmental authority)." See FTI Report, Section V.B.; see also Operating Agreement, Ex. 1, at Section 2.3(a). Nevertheless, the Albanese Entities have operated BRG in a sparse fashion, providing capital contributions sporadically when BRG funds are nearly or entirely depleted. The FTI Report outlines numerous examples where this gross undercapitalization is evidenced, including many instances where BRG held insufficient funds to cover its invoices and current obligations during times critical to the development and environmental care of the Site. See FTI Report § VI.B, pp. 10-14.

The Albanese Entities have exercised their dominance and control over BRG not only with respect to Site operations, as discussed above, but from a financial perspective as well. FTI Report § VI.E, pp. 28-30. Since admittance to BRG, the Albanese Entities have contributed nearly all the capital of BRG – in fact, from June 2015 through March 2017, the Albanese Entities contributed every penny to BRG. *Id.* Any apparent financial failings of BRG have been created by the Albanese Entities and, in the event BRG seeks to shirk its obligations on an alleged inability to pay, these entities should be held accountable.

The financial wherewithal of the Albanese Entities not only substantiates and validates the basis for GNLs to ADC and AOI as operators at the Site, but it undercuts any claim by BRG that it has an inability to pay response costs at the Site. BRG's financial means are substantial given its relationship to ADC, AOI, AHL, and the principals of those companies, which have given financial assurances to the Harrison Redevelopment Authority regarding their backing of the project. Looking through BRG to these financial backers provides a more comprehensive

Michael J. van Itallie, Esq.
February 14, 2019
Page 14

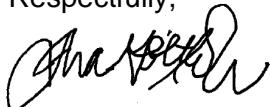
and complete picture of BRG's ability to pay. EPA should recognize their financial ability and obligation to pay for response costs, and therefore, should issue GNLs to the Albanese Entities and include them as Respondents on the ASAOC.

* * *

GE appreciates EPA's careful consideration the facts, circumstances and issues in this matter. GE remains committed to continuing its cooperative work with EPA, NJDEP, local stakeholders, and BRG and the Albanese Entities. In light of the circumstances, EPA should promptly issue GNLs to AOI, ADC and AHL and add them as Respondents to any ASAOC for a Removal Action at the Site.¹⁵

GE is available to meet with the Agency and others, if needed, to discuss this matter further.

Respectfully,



Ira M. Gottlieb

cc: Eric Merrifield, Esq. (via email)
Dennis Toft, Esq. (via email)

Attachments

¹⁵ At a minimum, EPA should issue CERCLA Section 104(e) Requests to the Albanese Entities targeted at the areas of inquiry identified in FTI's Report, Section IX, and particularly the business and financial connections between the Albanese Entities, and their contractual and financial obligations to meet BRG's remedial responsibilities.

EXHIBIT LIST

Exhibit No.	Description
1	Amended and Restated Operating Company Agreement of BRG Harrison Lofts Urban Renewal, LLC, dated June 8, 2005
2	BRG Responses to GE Interrogatories, dated July 21, 2017
3	Summary of Fees from ADC, dated 7/1/2015-9/30/2015; 9/28/2015-12/31/2015; 1/4/2016-4/29/2016
4	ADC Project Schedule, dated 7/6/2015
5	Project Meeting Minutes, dated 7/8/15-1/20/16
6	ADC Project Administrator email to McGowan Builders with RFP, dated 4/16/15
7	RFP Template
8	Evaluation for demo contractor Force Services, dated 7/1/2015
9	Email exchange between J. Becker and RD Jones, dated 9/10-9/21/15, and RDJA Agreement
10	Sky Electrical Demolition Contract
11	Lampworks Contractor Procedure Manual
12	M. Frankenberry email to Minno Wasko, dated 8/7/2015
13	M. Frankenberry email, dated 9/22/2015
14	M. Frankenberry email to various BRG contractors and representatives, dated 10/19/2015
15	M. Frankenberry email, dated 11/19/15
16	J. Wansor email, dated 10/26/15
17	M. Frankenberry email, dated 10/14/15
18	M. Frankenberry email, dated 10/22/15
19	Langan email, dated 10/16/15
20	Mercury Funding Agreement
21	Langan Ltr. to J. Wansor, dated 2/22/16
22	J. Becker email, dated 9/22/16



In Support of General Electric Company's Request to EPA to Issue General
Notice Letters of Potential Liability to Albanese Development Corporation;
Albanese Organization, Inc.; and Albanese Harrison Lofts, LLC and to Include
Those Parties as Respondents on a Removal Action ASAO
for the Vo-Toys Superfund Site, Harrison, NJ

Expert Report of Gary Kleinrichert, CPA/ABV/CFF/CGMA, CVA

Submitted by:

Gary Kleinrichert, CPA/ABV/CFF/CGMA, CVA
February 14, 2019

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In Support of GE's Request to EPA to Issue General Notice Letters of Potential Liability to Albanese Entities and to Include Those Parties as Respondents on a Removal Action ASAO for the Vo-Toys Superfund Site, Harrison, NJ

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I. Qualifications of Gary Kleinrichert

1. I am a Senior Managing Director in FTI's Forensic and Litigation Consulting practice and have over 33 years of experience as an auditor and as a consultant in accounting, auditing, forensic investigations, litigation, and valuation matters. Prior to joining FTI, I was a partner in the international accounting firm of KPMG LLP ("KPMG").¹ During my career, I have performed a variety of services, including serving as a business advisor and auditor to public and private companies in a variety of industries. I have also performed numerous accounting and forensic investigations, damage calculations, business valuations, due diligence, and other consulting related to mergers and acquisitions. At FTI, I co-lead all forensic accounting services in the United States.
2. I am a Certified Public Accountant (Illinois license #065-030959), Accredited in Business Valuation (ABV), Certified in Financial Forensics (CFF), a Certified Valuation Analyst, and a member of the American Institute of Certified Public Accountants, Indiana CPA Society, National Association of Certified Valuation Analysts, and the Association of Certified Fraud Examiners. I earned my Bachelor of Science degree in Accountancy and Computer Sciences from St. Joseph's College. I have included a copy of my curriculum vitae, including publications and testimony experience, as **Appendix A** to this report.
3. FTI is being compensated for my services at an hourly rate of \$675. FTI is being compensated for the services of others working under my direction on this matter at hourly rates ranging from \$300 to \$600.

II. Assignment

4. I have been retained by counsel for General Electric Company ("GE") in connection with the Environmental Protection Agency's ("EPA"), Region 2, investigation and response to the release or threat of release of hazardous substances, pollutants or contaminants into the environment (specifically in and from building materials and interior subsurface structures) at the Vo-Toys Superfund Site ("Site") located at 400 South Fifth Street in Harrison, NJ.² BRG Harrison Lofts Urban Renewal LLC ("BRG") closed on its purchase of the Site in June 2015. BRG, or its

¹ I left PwC in July 1999 to join Andersen as a direct admit partner. In May 2002, KPMG purchased a portion of the Value Solution practice of Andersen in which I was a partner. FTI acquired the domestic Dispute Advisory Services (DAS) business of KPMG on October 31, 2003.

² EPA General Notice Letter to BRG Harrison Lofts Urban Renewal LLC, dated July 25, 2018 ("BRG GNL"), **Exhibit 1**.

predecessors, had a contract for the purchase of the property for more than two years before June of 2015.

5. EPA has identified BRG as a potentially responsible party (“PRP”) that may be held liable for all costs incurred related to its response actions and for liability under Section 107(a) of CERCLA, 42 U.S.C. §9607(a).³ To that end, on July 25, 2018, EPA sent BRG a GNL (“BRG GNL”). The BRG GNL stated that “EPA has determined that BRG *owns and operates* the Site at which mercury has been released.”⁴ (*Emphasis* added.)
6. EPA has also identified GE as a PRP based upon its previous ownership and operation of the Site until 1927.^{5,6}
7. In reply to EPA’s BRG GNL, Christopher Albanese⁷ asserted that BRG does not have the funds to address the mercury contamination at the Site and sought additional information regarding “ability to pay” settlements.⁸
8. GE disputes the assertion that BRG and other related responsible parties do not have ability to pay and contribute towards the payment of response costs at the Site.⁹
9. I understand that GE opposes BRG’s request on a variety of grounds, including, but not limited to, the following:
 - i. BRG failed to conduct effective pre-purchase due diligence;

³ BRG GNL, **Exhibit 1**.

⁴ BRG GNL, **Exhibit 1**.

⁵ EPA General Notice Letter to General Electric Company, dated July 25, 2018 (“GE GNL”), **Exhibit 2**. GE provided a response to the GE GNL on August 27, 2018 (“GE Response to GNL”), including a memorandum responding to certain points raised by BRG’s Response to its GNL, **Exhibit 3**. In GE’s Memorandum it explained why the assertion regarding BRG’s inability to pay response costs lack credibility. *See* GE Response to GNL, pp. 5-6, **Exhibit 3**.

⁶ I understand that in 1927, GE sold the Site to RCA, an entity which GE acquired in 1986. RCA had previously sold the Site to International Fastener Research Corporation in 1976, which then sold the Site to V.I.P. Realty/Vo-Toys in 1977.

⁷ Christopher Albanese is President of Albanese Organization, Inc., and is identified as an “Authorized Representative” of Albanese Harrison Lofts, LLC, one of the partner entities of BRG, in the Amended and Restated Operating Company Agreement of BRG Harrison Lofts Urban Renewal, LLC.

⁸ BRG Response to Notice to Potential Liability and Request to Enter Administrative Settlement Agreement Negotiations for the Vo-Toys Superfund Site, Harrison, New Jersey, dated August 14, 2018 (“BRG Response to GNL”), **Exhibit 4**.

⁹ In addition to the findings in this Report, see GE Response to GNL and attached Memorandum, pp.5-6, **Exhibit 3**.

- ii. BRG is controlled by Albanese Development Corp., Albanese Organization, Inc., Christopher Albanese, and Russell Albanese;
- iii. Albanese Development Corp. and Albanese Organization, Inc., through their operations of the Site, are liable parties pursuant to Section 107(a) of CERCLA, 42 U.S.C. §9607(a);
- iv. The Albanese Entities¹⁰ are responsible for the obligations of BRG and have the ability to pay and contribute towards the payment of response costs at the Site;
- v. BRG is not a bona fide prospective purchaser or an innocent landowner; and
- vi. BRG's ability to pay assertion lacks credibility.¹¹

10. I understand that in the event that EPA grants BRG an ability to pay settlement, GE, as a PRP, would conceivably bear the cost of EPA's response, which I understand may range from \$7 million to \$20 million, subject to future sampling of conditions, remedial design, conditions encountered during remedial action and other potential contingencies that are not yet knowable.¹² While BRG, as a special-purpose entity, *may* not have an ability to pay as currently undercapitalized, its financial means and wherewithal are substantial given the entity's direct connection with the Albanese Entities, as well as Christopher Albanese and Russell Albanese.¹³

11. I have been asked to consider the possibility of an ability to pay claim submission of BRG. As far as I know, BRG has not yet submitted an ability to pay request. Therefore, I base my view on the statement that BRG would submit such a request and assumption it may do so. I reserve the right to provide additional information and supplement my views and opinions should BRG make (and I am provided access to) such a submission. As mentioned above, however, based on my review and analysis to date, it appears that BRG's financial means and wherewithal are substantial given the entity's direct connection with the Albanese Entities and Albanese Cousins.

12. Additionally, I have been asked to review the indicia of alter ego among BRG, the Albanese Entities and the Albanese Cousins. Several of these indicia are financial in nature, and I have been asked to form an opinion on BRG's economic dependence on the Albanese Entities and the

¹⁰ "Albanese Entities" is defined as Albanese Development Corporation ("ADC"); Albanese Organization, Inc. ("AOI"); and Albanese Harrison Lofts, LLC ("AHL").

¹¹ GE Response to GNL, **Exhibit 3**.

¹² As I understand it, no remedial design, predesign investigation or other planning has yet happened and actual response actions, including but not limited to further sampling, waste characterization and disposal options may affect potential costs.

¹³ When appropriate, Russell Albanese and Christopher Albanese are collectively defined and referred to as the "Albanese Cousins."

Albanese Cousins. I understand that there are additional factors, or indicia, considered in the evaluation of the alter ego, for which I investigated various documents portraying information related to these factors. I also conducted forensic financial research of the Albanese Entities and the Albanese Cousins. Lastly, I analyzed the ability to pay of Albanese Entities and the Albanese Cousins.

13. This report provides the findings of my investigation to date regarding the assignment detailed in the preceding paragraphs.
14. As a non-lawyer, I offer no legal opinion on the documents reviewed or legal conclusions concerning the indicia of alter ego or on any ultimate legal issues otherwise. The scope of my investigation has included research and analysis of certain facts, including among other things, the following:
 - i. A review and analysis of certain BRG financial information, including general ledgers, trial balances, tax returns, invoices, financial statements;
 - ii. A review and analysis of the Amended and Restated Operating Agreement of BRG ("BRG Operating Agreement");
 - iii. A review and analysis of the Mercury Funding Agreement ("Mercury Funding Agreement"); and
 - iv. Research of the Albanese Entities and review of publicly available documents regarding the ownership interests and holdings of Albanese Entities and the Albanese Cousins.
15. I reviewed a number of documents provided by counsel in connection with my engagement. **Appendix B** contains a list of all documents that I reviewed and considered in reaching my conclusions. Should additional materials and/or information become available, I reserve the right to amend this report.

III. Summary of Key Findings

- Among the purposes of the BRG joint venture is to **remediate**, redevelop, renovate, improve, **own, operate, manage**, hold for investment, exchange, subdivide, encumber, maintain, finance, lease, market and/or sell the Property as improved **and to engage in all activities reasonably necessary for, or incidental to**, the acquisition, **remediation, redevelopment, renovation**, improvement, **ownership, operation, management**, holding for investment, exchanging, subdividing, encumbering, maintaining, financing, leasing, marketing, sale and other use of the Property.
- Based upon my understanding of the BRG Operating Agreement, the Albanese Entities are financially responsible for additional capital contributions to BRG for environmental guaranties

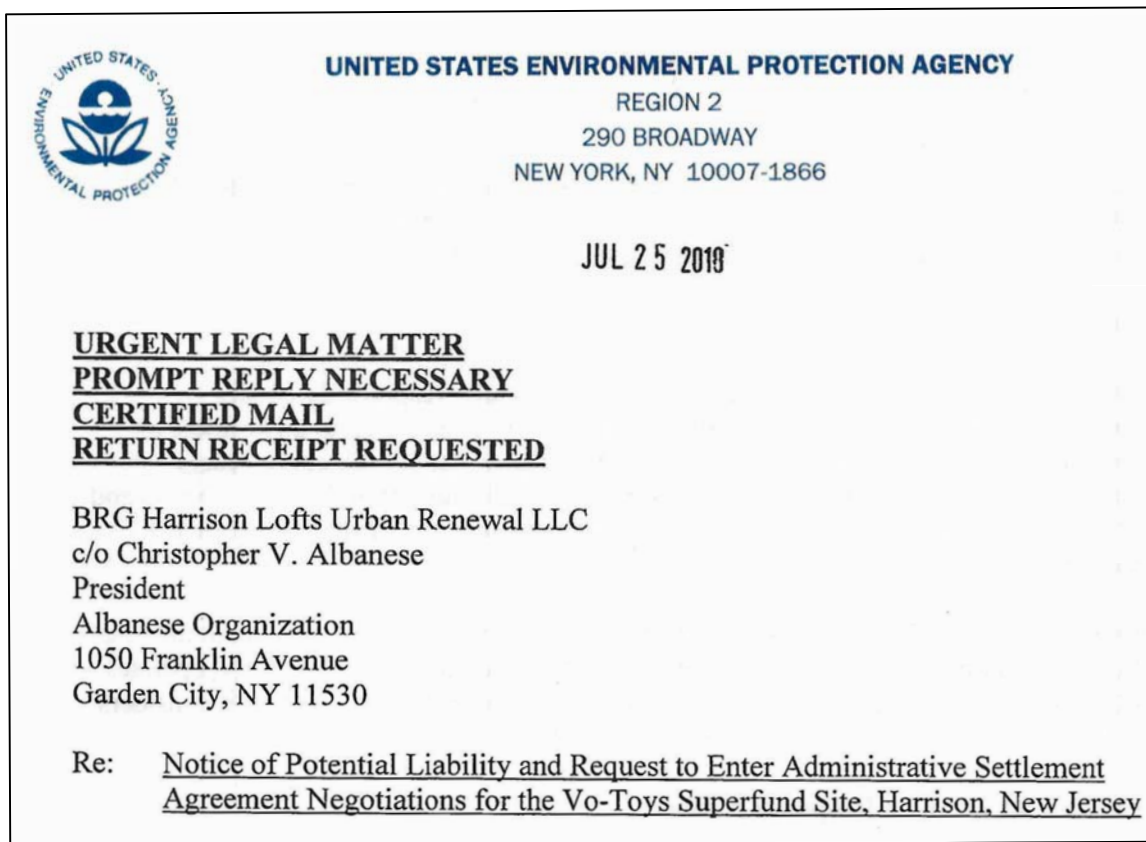
(apportioned and based upon the Additional Contribution Ratio at 66.67% to the Albanese Entities).

- Based upon my understanding of the BRG Operating Agreement, the Albanese Entities are financially responsible to meet “expenses reasonably necessary in order to cause the Property to comply in all material respects with applicable laws (including, without limitation, amounts needed to pay any fines and penalties imposed by any governmental authority).”
- As stated in Section 2.8(n) of the BRG Operating Agreement, the Albanese Entities confirmed that “[e]ach Member has the liquidity and financial capability to make the Capital Contributions and Preferred Capital Loans for which such member is responsible pursuant to the terms of this Agreement, including without limitation, the Initial Capital Contributions specified in Exhibit B to the Operating Agreement.”
- The Albanese Entities and Albanese Cousins have grossly undercapitalized BRG, such that alone, it cannot meet its financial obligations.
- If BRG, as currently undercapitalized, is equitably insolvent, then its ability to pay response costs as they become due is attributable to the Albanese Entities and Albanese Cousins.
- If BRG does not have funds (including those required for remediating the Site) to meet obligations, it is because of the actions of the dominant shareholders – Albanese – in siphoning funds away from BRG, thus rendering it insolvent.
- There are numerous instances where the Albanese Entities have dominated, controlled and exerted their influence over BRG to their economic benefit and to BRG’s detriment.
- The Albanese Entities and Albanese Cousins have rendered BRG insolvent.
- Multiple transactions demonstrate that the Albanese Entities and Albanese Cousins have siphoned funds from BRG, thus further rendering it less able to meet financial obligations.
- BRG is economically dependent on the Albanese Entities.
- For the year ended December 31, 2016, BRG generated limited net income and cash on hand; had accounts payable in excess of \$420,000; while it had assets of \$12.8 million that were primarily reported as Land and Development Costs related to the Site. Nonetheless, a review of BRG’s seeming ability to pay as a standalone entity does not accurately reflect the resources and financial wherewithal of its related parties that share obligations for response costs at the Site. That is, looking through BRG to the Albanese Cousins and Albanese Entities, which I understand are obligated for BRG costs, provides a more comprehensive and complete picture of BRG’s ability to pay.
- AOI represented and assured the Harrison Redevelopment Agency that the Albanese Entities, Christopher Albanese and Russell Albanese have the ability to meet financial obligations, and financial means to complete BRG’s development of the Site project, including funds to meet remediation costs. Further, AOI represented that they “have always met their financial obligations” and have “a combined personal net worth in excess of 50 million dollars and liquidity in excess of 20 million dollars.”

- Based on my analysis it appears that BRG's financial means and wherewithal are substantial given the entity's direct connection with the Albanese Entities and Albanese Cousins.

IV. BRG's and Albanese's Assertion of Inability to Pay Site Response Costs

16. On July 25, 2018, EPA sent BRG a GNL addressed to the care of Christopher Albanese, President of AOI.¹⁴



17. In this letter, EPA informed BRG and Albanese of EPA's general consideration for financial concerns and ability to pay settlements, noting, in part, the following:

*"EPA is aware that the financial ability of some PRPs to contribute toward the payment of response costs at a site may be substantially limited. If BRG believes, and can document, that it falls within that category, please contact Mr. van Itallie for information on ability to pay settlements."*¹⁵

18. On August 14, 2018, Christopher Albanese, on behalf of BRG, replied to the GNL, noting:

¹⁴ BRG GNL, **Exhibit 1**.

¹⁵ BRG GNL, **Exhibit 1**.

*"... BRG does not have the funds to address the unforeseen GE mercury contamination at the Site. BRG, therefore, wishes to obtain additional information regarding "ability to pay" settlements, and will reach out to Mr. van Itallie separately, as suggested in your letter."*¹⁶

19. While it is not clear from this reply what calculation was performed or what, if any, additional information that BRG or the Albanese Entities have submitted **documenting** that BRG's financial ability is substantially limited, I understand that the response costs may range from \$7 million to \$20 million, subject to future sampling of conditions, remedial design, conditions encountered during remedial action and other potential contingencies that are not yet knowable.¹⁷
20. I reviewed the financial statements of BRG as a standalone, single-purpose entity, that were available to me. (I note that BRG may possess more up-to-date records.) For the year ended December 31, 2016, BRG generated net income of \$39,193, consisting of Other Rental Income and Interest Income.¹⁸ While BRG had assets of \$12.8 million, these were primarily reported as Land and Development Costs related to the Site. Cash on hand was \$51,679, and comparatively, Accounts Payable were \$420,659 – over eight times the available funds.¹⁹ Nonetheless, reviewing BRG's seeming ability to pay as a standalone entity does not accurately reflect the resources and financial wherewithal of its related parties that may share obligations for response costs at the Site. That is, looking through BRG to the Albanese Cousins and Albanese Entities, which I understand are obligated for BRG costs, provides a more comprehensive and complete picture of BRG's ability to pay.

V. Background of BRG

A. Formation of BRG and Admittance of Albanese Entities

21. On February 2, 2012, BRG executed a contract to purchase the Site.²⁰ At the time of executing this contract, Tom Berkenkamp, through Berkenkamp Realty Group, LLC ("Berkenkamp Realty"), held a 100% ownership interest in the redevelopment of the Site.²¹ As early as June

¹⁶ BRG Response to GNL, **Exhibit 4**.

¹⁷ See footnote 12.

¹⁸ PLBRG000058636, **Exhibit 5**.

¹⁹ PLBRG000058635, **Exhibit 5**.

²⁰ Amended Answer, *BRG Harrison Lofts Urban Renewal LLC v. General Electric Company, et al.*, No. 2:16-cv-06577 (D.N.J.), dated June 23, 2017, at p. 42, **Exhibit 6**.

²¹ Plaintiff's Objections and Responses to Defendant General Electric Company's First Set of Interrogatories, *BRG Harrison Lofts Urban Renewal LLC v. General Electric Company, et al.*, No. 2:16-cv-06577 (D.N.J.), dated July 19, 2017, at p. 13, **Exhibit 7**.

2012, Tom Berkenkamp was aware of mercury at the Site.²² Over the next three years, Berkenkamp Realty engaged in due diligence – including environmental due diligence – engaging contractors to survey and assist with remedial efforts of mercury found at the Site. On October 1, 2013, Paragon Realty Group I, LLC (owned by Mark Schaevitz) (“Paragon Realty”) was admitted as a member of BRG with a 10% interest and Berkenkamp Realty with a 90% interest.

22. On January 22, 2015, the Albanese Entities sent a memorandum to BRG outlining the terms of a

Re: Harrison Lofts Urban Renewal Project (the "Project")

Dear Mssrs. Kowalski and Castano,

The Albanese Organization has been in the business of real estate development for over 60 years. Russell Albanese, as chairman of the organization, has over 35 years of experience and Christopher, as president, has in excess of 20 years. As principals of the organization they have been involved in all aspects of real estate development. They have successfully acquired and/or developed properties valued in excess of one billion dollars and have always met their financial obligations.

With a combined personal net worth in excess of 50 million dollars and liquidity in excess of 20 million dollars, Russell and Christopher possess the financial means to maintain the capital and liquidity levels to enable them to adequately invest in BRG Harrison Lofts Urban Renewal LLC and complete the development of the project.

For more information on our projects, please visit our website at www.albaneseorg.com.

Sincerely,

James F. Polcari
Chief Financial Officer

PLBRG000058708, Exhibit 10

proposed agreement between the two parties for the Site and Albanese Entities' admittance into BRG.²³

23. On May 7, 2015, James Polcari, CFO of AOI, sent a letter to Harrison Redevelopment Agency, assuring the Agency about the Albanese Cousins' real estate development experience, the extent of their portfolios, their ability to meet financial obligations, and financial means to complete the development of the project. Within that letter, James Polcari provided assurances that the Albanese Cousins *“have always met their financial obligations”* and have *“a combined*

²² Plaintiff's Objections and Responses to Defendant General Electric Company's First Set of Interrogatories, *BRG Harrison Lofts Urban Renewal LLC v. General Electric Company, et al.*, No. 2:16-cv-06577 (D.N.J.), dated July 19, 2017, at pp. 18 – 19, **Exhibit 7**.

²³ PLBRG000061809 – 828 at 809, **Exhibit 9**.

personal net worth in excess of 50 million dollars and liquidity in excess of 20 million dollars.²⁴ (*Emphasis added.*)

24. Following AOI's letter of assurance, the Commissioners of the Harrison Redevelopment Agency approved a "Resolution Authorizing and Approving the Albanese Organization as a Member of BRG Harrison Lofts Urban Renewal LLC" on June 15, 2015.²⁵ While the title of the resolution refers to Albanese Organization, the body of the resolution notes that "BRG has requested that the Agency approve a transfer of 50% ownership interest in BRG to the ***Albanese Development Corporation*** or one of its affiliates."²⁶ (*Emphasis added.*)

B. BRG Amended and Restated Operating Agreement

25. On June 8, 2015, Albanese Harrison Lofts, LLC ("AHL") and BRG LampWorks Ventures LLC ("BRG LampWorks")²⁷ formed and entered into an Amended and Restated Operating Agreement (previously defined as the "BRG Operating Agreement") for the new BRG venture – BRG Harrison Lofts Urban Renewal LLC. Both Members (AHL and BRG LampWorks) have a 50% ownership interest in BRG.²⁸ Based on my understanding, the BRG Operating Agreement provided guidance on the purposes of BRG, capital contributions of Members, roles of Members and related personnel, as well other guaranties and financial obligations of Members.
26. In Section 2.3(a), the BRG Operating Agreement outlines the purposes of the new BRG joint venture as follows:

(a) The purposes of the Company are:

(i) to acquire from V.I.P. Realty Associates the real property and improvements thereon located in the Town of Harrison, County of Hudson, State of New Jersey, commonly known as 400 South Fifth Street, 420 South Fifth Street, 530 Bergen Street and the parking lot located at the southwest corner of Bergen Street and South Fifth Street, and designated as Lots 17 to 24 in Block 131, and Lots 1 through 36 in Block 156 on the Tax Map of the Township of Harrison (collectively, the "**Primary Property**") pursuant to the Acquisition Contract; (**emphasis** original)

²⁴ PLBRG000058708, **Exhibit 10**.

²⁵ PLBRG000081376, **Exhibit 11**.

²⁶ PLBRG000081376, **Exhibit 11**.

²⁷ At this time, Berkenkamp Realty and Paragon Realty created this new entity, BRG LampWorks, with ownership interests at 90% and 10%, respectively.

²⁸ Plaintiff's Objections and Responses to Defendant General Electric Company's First Set of Interrogatories, *BRG Harrison Lofts Urban Renewal LLC v. General Electric Company, et al.*, No. 2:16-cv-06577 (D.N.J.), dated July 19, 2017, p. 14, **Exhibit 7**.

(ii) to acquire such additional parcels of real property in the Town of Harrison as the Managing Member deems necessary or appropriate for parking or otherwise to enhance the value or marketability of the Primary Property (such additional parcels, if any, together with the Primary Property, are referred to as the “**Property**”); (**emphasis** original)

(iii) in its capacity as designated redeveloper of the Property, to perform its obligations under the Redevelopment Agreement;

(iv) upon acquisition of the Property and in accordance with the terms of the Redevelopment Agreement, to redevelop and expand the existing warehouse buildings on the Property into an approximately 320-unit (or such other number of units approved by the applicable governmental authorities and the Manager Member) Class A residential rental community , and the construction of a parking deck containing approximately 263 spaces (or such other number of spaces approved by the applicable governmental authorities and the Managing Member) (collectively with the other improvements to be made to the Property, the “**Project**”); (**emphasis** original)

(v) to **remediate, redevelop, renovate, improve**, own, operate, manage, hold for investment, exchange, subdivide, encumber, maintain, finance, lease, market and/or sell the Property as improved; (**emphasis** added)

(vi) to comply with the requirements of N.J.S.A. 40A:20-1 et seq. for as long as any payment in lieu of taxes agreement is in effect with the Town of Harrison; and (underline original)

(vii) to engage in all activities reasonably necessary for, or incidental to, the acquisition, **remediation, redevelopment, renovation, improvement**, ownership, operation, management, holding for investment, exchanging, subdividing, encumbering, maintaining, financing, leasing, marketing, sale and other use of the Property.²⁹ (**emphasis** added)

27. In outlining the use of the Albanese Entities’ capital contributions, Section 3.1(b) of the Operating Agreement refers to the purposes of BRG, stating, “The Albanese Member shall make Initial Capital Contributions as and when needed by the Company to fund its operations in accordance with Section 2.3.”³⁰ No such clause is included for BRG LampWorks. In fact, the initial capital contribution that BRG LampWorks made of \$2,336,667 was “to the satisfaction of the Albanese Member and which shall constitute the BRG Member’s Initial Capital Contribution for purposes of this Agreement.”³¹

²⁹ PLBRG000098870 – 967 at 876, **Exhibit 8**.

³⁰ PLBRG000098870 – 967 at 881, **Exhibit 8**.

³¹ PLBRG000098870 – 967 at 880-881, **Exhibit 8**.

28. Despite BRG's Initial Capital Contribution of \$2,336,667, at the time the Operating Agreement was executed, June 8, 2015, BRG's cash had decreased to \$155,624.01.³² I understand that at this time and as early as January 22, 2015, BRG was under contract to purchase the Site for a purchase price of \$4,212,500.³³ Without additional capital contributions, BRG would not have had sufficient funds to purchase the Site. The Albanese Entities then made an Effective Date Contribution of \$4,666,666.50, which thus enabled BRG to purchase the Site contemporaneous with executing the Operating Agreement.³⁴ On June 9, 2015, BRG closed its transaction with the Seller and acquired two parcels of real property—the parking lot parcel and the main parcel.³⁵

29. The Effective Date Contribution above represented one-half of the Albanese Entities' Initial Capital Contributions, which were to total \$9,333,333 according to Section 3.1(b).³⁶ As such, Albanese Entities' Initial Capital Contributions are roughly four times the Initial Capital Contributions of BRG LampWorks.³⁷ Aggregate Initial Capital Contributions can be found in Exhibit B of the Operating Agreement, as presented below.³⁸

EXHIBIT B				
<u>LIST OF MEMBERS, CONTRIBUTIONS AND PERCENTAGES</u>				
Member Name and Address	Initial Capital Contribution	Enhanced Value Contribution	Total	Percentage
ALBANESE HARRISON LOFTS LLC c/o Albanese Organization, Inc. 1050 Franklin Avenue Garden City, New York 11530	\$9,333,333.00	\$0.00	\$9,333,333.00	50.00%
BRG LAMPWORKS VENTURES, LLC c/o Berkenkamp Realty Group 307 Frank E. Rodgers Blvd. So. Harrison, New Jersey 07029	\$2,336,667.00	\$2,330,000.00	\$4,666,667.00	50.00%
Total	\$11,670,000.00	\$2,330,000.00	\$14,000,000.00	100.00%

³² PLBRG000059607, **Exhibit 12**.

³³ PLBRG000061809, **Exhibit 9**.

³⁴ PLBRG000098881, **Exhibit 8**.

³⁵ Amended Complaint, p. 4, **Exhibit 13**.

³⁶ PLBRG000098881, **Exhibit 8**.

³⁷ $\$9,333,333 / \$2,336,667 = 3.99$.

³⁸ PLBRG000098870 – 967 at 950, **Exhibit 8**.

PLBRG000098950, **Exhibit 8.**

30. BRG sought to finance development of the Site through a Construction Loan, yet in the event the Construction Loan is less than \$65,000,000 and other financing sources are not available on preferred terms, the Albanese Entities “shall advance a loan to the Company in cash in an amount equal to the lesser of (i) the amount by which the Construction Loan is less than \$65,000,000 or (ii) \$9,333,333.”³⁹
31. I understand that BRG has halted development and its own remedial response actions at the Site since February 2016, and therefore, I presume that BRG has not obtained a Construction Loan since then. The Preferred Capital Loans may be advanced “from time to time, *as the same is needed to pay any liabilities, costs, expenses or fees of the Company.*”⁴⁰ (*Emphasis added.*) I understand that BRG LampWorks is not required to make Preferred Capital Loans.
32. Though BRG LampWorks may not be required to make Preferred Capital Loans, I understand that the Operating Agreement provides for its Members to provide guaranties to lenders, as follows, “Each *Member agrees to provide (or to cause a creditworthy Affiliate to provide)* any guaranty (including any completion guaranty, nonrecourse carveout guaranty, principal repayment guaranty, carry guaranty or *environmental guaranty*) to a Company lender reasonably requesting the same.”⁴¹ (*Emphasis added.*)
33. Based on my understanding of the Operating Agreement, an environmental guaranty would be apportioned based upon the Additional Contribution Ratio at 66.67% to the Albanese Entities and 33.33% to BRG LampWorks.⁴²
34. As noted above, the Albanese Entities are expected to contribute 80% of Initial Capital Contributions, 100.00% of Preferred Capital Loans, and 66.67% of guaranties, including environmental guaranties. Based upon my understanding, the BRG Operating Agreement also provides an Additional Contribution Ratio where Albanese Entities make the majority of Additional Capital Contributions as well. Albanese Entities and BRG LampWorks split

³⁹ See Operating Agreement, Section 3.9 (Preferred Capital Loans), PLBRG000098870 – 976 at 889-890, **Exhibit 8.**

⁴⁰ PLBRG000098870 – 967 at 889, **Exhibit 8.**

⁴¹ PLBRG000098870 – 967 at 906, **Exhibit 8.**

⁴² PLBRG000098870 – 967 at 906, **Exhibit 8.**

Additional Capital Contributions 66.67% and 33.33%, respectively, and up to caps of \$4,000,000 and \$2,000,000, respectively.⁴³

35. Based upon my understanding of the Operating Agreement, there are certain conditions under which Additional Capital Contributions may be made after each Member has fully funded its Initial Capital Contribution and the Albanese Member has made all Preferred Capital Loans.⁴⁴ One such condition is when “the Managing Member determines in its judgment, at any time or from time to time, that an Additional Capital Contribution is ***needed by the Company to pay any liabilities, costs, expenses and fees of the Company...***.”⁴⁵ (*Emphasis added.*)
36. Based upon my understanding of the Operating Agreement, another condition for Additional Capital Contributions is when “any Member determines that an Additional Capital Contribution is required to fund Additional Project Costs and/or Non-Discretionary Expenses... .”⁴⁶ Non-Discretionary Expenses, as defined in the Operating Agreement, include “(ii) ***expenses reasonably necessary in order to cause the Property to comply in all material respects with applicable laws (including, without limitation, amounts needed to pay any fines and penalties imposed by any governmental authority).***”⁴⁷ (*Emphasis added.*)
37. Lastly, in light of the foregoing and multiple sources of funding for BRG, in Section 2.8(n), the Operating Agreement states, “Each Member has the liquidity and financial capability to make the Capital Contributions⁴⁸ and Preferred Capital Loans for which such member is responsible pursuant to the terms of this Agreement, including without limitation, the Initial Capital Contributions specified in Exhibit B.”⁴⁹

⁴³ PLBRG000098870 – 967 at 931 and 882, **Exhibit 8.**

⁴⁴ PLBRG000098870 – 967 at 882, **Exhibit 8.**

⁴⁵ PLBRG000098870 – 967 at 882, **Exhibit 8.**

⁴⁶ PLBRG000098870 – 967 at 882, **Exhibit 8.**

⁴⁷ PLBRG000098870 – 967 at 943, **Exhibit 8.**

⁴⁸ “Capital Contribution” means the total amount of cash and the fair market value of any other assets contributed (or deemed contributed under Regulation Section 1.704-1(b)(2)(iv)(d)) to the Company by a Member, net of liabilities assumed or to which the assets are subject, consisting of the Initial Capital Contribution, Enhanced Value Contribution and Additional Capital Contribution contributed (or deemed contributed) to the Company by a Member. PLBRG000098870 – 967 at 934, **Exhibit 8.**

⁴⁹ PLBRG000098870 – 967 at 879-880, **Exhibit 8.**

VI. Review of Indicia of the Alter Ego

A. Overview

38. I have been asked to review and analyze from a financial, accounting, and valuation perspective, whether or not there exists an indicia of alter ego among BRG and the Albanese Entities. I understand that the Federal Courts in the Third Circuit, which includes New Jersey, apply an eight-factor test in evaluating whether entities are alter egos of each other, described as the following:

- i. Gross undercapitalization;
- ii. Failure to observe corporate formalities;
- iii. Non-payment of dividends;
- iv. The insolvency of the debtor corporation at the time;
- v. Siphoning of funds of the corporation by the dominant stockholder;
- vi. Non-functioning of other officers or directors;
- vii. Absence of corporate records; and
- viii. The corporation is merely a façade for the operations of the dominant stockholder.⁵⁰

39. As mentioned previously, I have been asked to form an opinion on BRG's economic dependence on the Albanese Entities and the Albanese Cousins, for which several of the indicia above provide insight. I reviewed documents and financial information and performed analyses in evaluating the gross undercapitalization of BRG, its insolvency, and the Albanese Entities' siphoning of funds from BRG.

B. Albanese Entities and Albanese Cousins Have Grossly Undercapitalized BRG

40. One common factor in evaluating the alter ego is whether the entity has been grossly undercapitalized. Through my analysis of this factor, I evaluated the funding history of BRG after the time that Albanese Entities were admitted into BRG. Through this analysis, I observed that BRG has commonly operated on a knife's edge with regard to its liquidity and undercapitalization and requiring capital contributions, as funds were often insufficient to cover its current obligations as they became due. I also reviewed certain funding requirements as I understand them and as outlined in the Operating Agreement.

⁵⁰ *Board of Trustees of Teamsters Local 863 Pension Fund v. Foodtown, Inc.*, 296 F.3d 164, 172 (3d Cir. 2002).

41. According to Section 3.1(b) of the Operating Agreement, “the Albanese Member shall make Initial Capital Contributions as and when needed by the Company to fund its operations according with Section 2.3.”⁵¹ Section 2.3(a) outlines the purposes of BRG, including the following:

“...

(v) to **remediate**, redevelop, renovate, improve, own, operate, manage, hold for investment, exchange, subdivide, encumber, maintain, finance, lease, market and/or sell the Property as improved;

...

(vii) to engage in all activities reasonably necessary for, or incidental to, the acquisition, **remediation**, redevelopment, renovation, improvement, ownership, operation, management, holding for investment, exchanging, subdividing, encumbering, maintaining, financing, leasing, marketing, sale and other use of the Property.”⁵² (*Emphasis added*)

42. Since the Albanese Entities and the Albanese Cousins were admitted as members on June 9, 2015, they have operated BRG in a sparse fashion, providing capital contributions sporadically when BRG funds are nearly or entirely depleted. As outlined in the examples below, this gross undercapitalization is evidenced by many instances where BRG held insufficient funds to cover its invoices and current obligations during times, which I understand, were critical to the development and environmental care of the Site.

1. September 2015

43. On September 16, 2015, BRG's checking account had a balance of \$72,754.56.⁵³ A review BRG's general ledger reveals that two days later, on September 18, 2015, a payment to McGowan Builders for \$199,800 was recorded.⁵⁴ BRG was undercapitalized and required additional funds to cover its current obligations. On September 16, 2015, Albanese Entities contributed additional capital of \$1,166,667 to fund a checking account that had been depleted.⁵⁵ A review of the general ledger further indicates that on September 22, 2015, Albanese Entities personnel recorded a “STOP PYMNT” fee of \$31 on the BRG Wells Fargo checking account,⁵⁶ presumably to stop the payment to McGowan Builders until Albanese Entities' capital

⁵¹ PLBRG000098870 – 967 at 881, **Exhibit 8**.

⁵² PLBRG000098870 – 967 at 876, **Exhibit 8**.

⁵³ See **Schedule 1**.

⁵⁴ See **Schedule 1**.

⁵⁵ See **Schedule 1**.

⁵⁶ See **Schedule 1**.

contribution of \$1,166,667 cleared.⁵⁷ Without this contribution, BRG would have overdrawn its checking account on September 18, 2015.⁵⁸

2. January 2016

44. On January 26, 2016, Marty McGowan of McGowan Builders, the general contractor of the Site, emailed Jack Becker at jcb@albaneseorg.com providing a status update as well as asking, “Are you aware your checks are bouncing, due to insufficient funds?”⁵⁹ In response to this inquiry, Jack Becker emailed several Albanese Entities colleagues – James Polcari, Susan Robertson, and Racquel Brown – asking, “Did we have a check bounce on the Lampworks project?”⁶⁰ A review of the BRG general ledger indicates that on January 20, 2016, BRG incurred a “NSG FEE” of \$35, which suggests a nonsufficient funds fee, or NSF fee, that was likely mis-keyed by Albanese Entities personnel.⁶¹ Additionally, BRG incurred a “STOP PYMT” fee, again, presumably to avoid overdrawing its checking account, which occurred nonetheless.

3. December 2016

45. BRG’s balance sheet at December 31, 2016 reflects yet another instance of undercapitalization and lack of liquidity. While BRG had accounts payable of \$420,659, its cash on hand was \$51,679, an insufficient amount that would have covered approximately 12.29% of its current obligations.

46. In light of BRG’s undercapitalization, it appears as though a capital call was later initiated. In a file dated June 1, 2017 documenting the capital accounts of BRG LampWorks members, Berkenkamp Realty Group, LLC and Paragon Realty Group I, LLC, Capital Call #9 is reflected as occurring during April 2017, with contributions from BRG LampWorks totaling \$90,000.⁶² As noted below, I understand that capital calls related to the Mercury Funding Agreement were split 75/25 between Albanese Entities and BRG LampWorks.⁶³ It is unclear whether Capital Call #9 relates to the Mercury Funding Agreement that Albanese Entities and BRG executed the following month on May 3, 2017.⁶⁴ If so, Albanese Entities’ contribution would have been

⁵⁷ PLBRG000058592 – 624 at 594, **Exhibit 14**.

⁵⁸ See **Schedule 1**.

⁵⁹ PLBRG000253928 – 929 at 928, **Exhibit 15**.

⁶⁰ PLBRG000253928 – 929 at 928, **Exhibit 15**.

⁶¹ PLBRG000174031 – 069 at 031, **Exhibit 16**.

⁶² PLBRG000083780, **Exhibit 17**.

⁶³ PLBRG000213398 – 399 at 398, **Exhibit 18**.

⁶⁴ PLBRG000174931, **Exhibit 25**.

\$270,000 for a total contribution of \$360,000.^{65,66} Combining these contributions with cash of \$51,679 at December 31, 2016 results in total funds of \$411,679, which still represents an undercapitalization compared to BRG's current obligations of \$420,659 at December 31, 2016. In any case, this cash call recognizes the Mercury Funding obligation (*i.e.*, remedial obligation) of Albanese as a Member of BRG, for BRG had halted development activities at the Site as of February 2016, which would likely classify obligations at December 2016 as related to mercury remediation activities.⁶⁷

4. May 2017

47. Despite the capital contributions in April 2017, BRG encountered further undercapitalization concerns the following month. On May 12, 2017, Racquel Brown, an Albanese Organization employee who served as the project accountant for Albanese Development Corp. at the Site, emailed Tom Berkenkamp, the Albanese Cousins, and other Albanese Entities personnel, alerting them that BRG once again had insufficient funds to cover its current obligations. She wrote, "Attached please find a list of all the open invoices for the Lampworks Project totaling \$429,264.26. Currently we have \$62,622.44 in the checking account. I feel a cash call needs to be made in the amount of \$500,000."⁶⁸ At the time of this email, BRG's insufficient funds would have covered 14.59% of its current obligations. As such, Albanese Entities continued to cause BRG to operate as an undercapitalized and underfunded entity, which experienced cash constraints on at least four observed occasions from September 2015 through May 2017.

5. August 2018

48. On August 14, 2018, in response to the EPA's BRG GNL, BRG purported that it does not have the funds to address the mercury contamination at the Site. As elaborated above, I understand that the Operating Agreement provides guidance for the use of Initial Capital Contributions from Albanese Member to fund BRG's operations. I further understand that remediation of the Site is one of these purposes and prescribed uses of funds. Additionally, AHL is a party to the BRG Mercury Funding Agreement. BRG's plea for an ability to pay settlement further suggests that

⁶⁵ \$90,000 * 3 = \$270,000.

⁶⁶ If these contributions were made pursuant to the Additional Contribution Ratio of two-thirds/one-third in the BRG Operating Agreement, Albanese Entities' contribution would have been \$180,000, for a total of \$270,000.

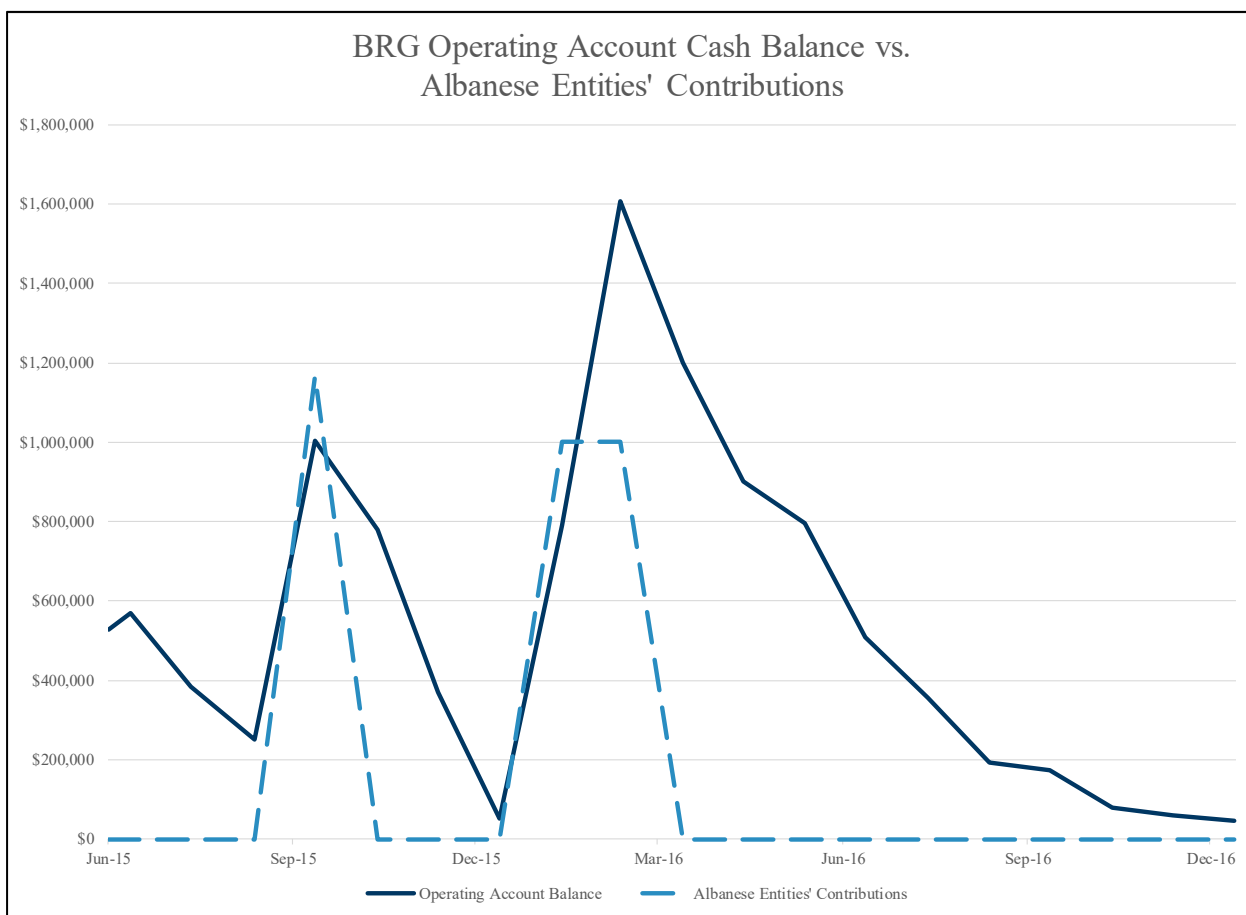
⁶⁷ Plaintiff's Objections and Responses to Defendant General Electric Company's First Set of Interrogatories, *BRG Harrison Lofts Urban Renewal LLC v. General Electric Company, et al.*, No. 2:16-cv-06577 (D.N.J.), dated July 19, 2017, p. 14, **Exhibit 7**.

⁶⁸ PLBRG000213398 – 399 at 398, **Exhibit 18**.

the Albanese Entities have undercapitalized BRG such that it is unable to carry out the purposes of BRG outlined in the Operating Agreement.

6. Summary

49. As evidenced from the five instances listed above, BRG was grossly undercapitalized requiring sporadic capital contributions from the Albanese Entities when funds were insufficient to cover current obligations. In multiple instances, it appears that BRG had to stop certain payments from processing in order to avoid overdrawing its checking account, and even in one instance from January 2016, the general contractor's check bounced. The chart below reflects the sporadic nature of these capital contributions and the depleting of BRG's operating account necessitating contributions from the Albanese Entities.



50. Moreover, while I understand that the Albanese Entities are to make capital contributions for the purposes of BRG, inclusive of remediating the Site, the claims that BRG does not have the funds

to pay for EPA's response costs reinforces that the Albanese Entities have grossly undercapitalized BRG and starved it of funds to carry out its purposes.

51. Thus, it is apparent that *if* BRG does not have funds, including those required for remediating the Site, to meet its obligations this is because of the actions of the dominant shareholders – Albanese – in siphoning of funds away from BRG and thus rendering it insolvent.

C. Albanese Entities and Albanese Cousins Have Rendered BRG Insolvent

52. Another factor in evaluating whether an entity or person is an alter ego concerns the insolvency of the entity at the time that obligations arose. To evaluate this factor, I reviewed the financial statements of BRG at December 31, 2016, the most recent financial information available to me. This time period serves as reasonable proxy for the current dispute, as development activities at the Site halted in February 2016 following certain mercury vapor sampling results.^{69,70} I restated these financial statements to recognize contingent environmental liabilities in evaluating the alleged insolvency of BRG.

53. As set forth in EPA's BRG GNL, I understand that BRG is responsible for EPA's response costs. I understand that these response costs are estimated to range between \$7 million and \$20 million, subject to future sampling of conditions, remedial design, conditions encountered during remedial action and other potential contingencies that are not yet knowable.⁷¹ BRG's letter to EPA acknowledges that BRG, as currently undercapitalized and allegedly does not have the funds to address the mercury contamination at the Site. While there is no documentation accompanying BRG's purported limited ability to pay, BRG has performed some internal calculus in arriving at this position that BRG cannot pay for EPA's response costs. Though BRG's balance sheet at December 31, 2016 reflected equity of \$12.4 million, I have restated BRG's balance sheet to reflect contingent environmental liabilities for potential response costs of \$20 million.

⁶⁹ Plaintiff's Objections and Responses to Defendant General Electric Company's First Set of Interrogatories, *BRG Harrison Lofts Urban Renewal LLC v. General Electric Company, et al.*, No. 2:16-cv-06577 (D.N.J.), dated July 19, 2017, p. 14, **Exhibit 7**.

⁷⁰ I understand that Tom Berkenkamp was aware of mercury contamination as early as June 2012. (Plaintiff's Objections and Responses to Defendant General Electric Company's First Set of Interrogatories, *BRG Harrison Lofts Urban Renewal LLC v. General Electric Company, et al.*, No. 2:16-cv-06577 (D.N.J.), dated July 19, 2017, pp. 18 – 19), **Exhibit 7**.

⁷¹ See footnote 12.

54. As demonstrated in the table below, if BRG recognizes response costs as contingent environmental liabilities, that eliminates the entire equity of BRG, as the Albanese Entities have amassed insufficient assets at BRG for it to cover its liabilities. These contingent environmental liabilities thus render BRG balance sheet insolvent. While \$20 million is the top end of the range of potential response costs, contingent liabilities of \$12.4 million similarly render BRG insolvent. This not only raises the question of whether the Albanese Entities and the Albanese Cousins have rendered BRG insolvent, but also whether they are obligated for funding remedial response costs as a result of not only the Operating Agreement and the Mercury Funding Agreement, but also whether they are acting as an alter ego of BRG.

Table 1 Balance Sheet of BRG at December 31, 2016				
Description	Actual [1]	Restatement with Response Cost Liabilities		As Restated [2]
Total Assets	\$ 12,816,075	\$ -	\$	12,816,075
Total Liabilities	\$ 420,659	\$ 20,000,000	\$	20,420,659
Total Member's Capital	12,395,417	(20,000,000)		(7,604,583)
Total Liabilities & Equity	<u>\$ 12,816,076</u>	<u>\$ -</u>	<u>\$</u>	<u>12,816,076</u>
Notes/Sources:				
[1] PLBRG000058634 - 58638 at 635, Exhibit 5 .				
[2] Restates balance sheet for \$20 million in Response Cost Liabilities.				

55. It is appropriate to reflect BRG's contingent environmental liabilities on BRG's balance sheet, as for purposes of evaluating solvency and assessing liabilities, these would need to be reflected at fair value. Even if one were to utilize the midpoint of the range, at \$13.5 million,⁷² that amount of contingent environmental liabilities *may* render BRG insolvent.

56. If BRG, as currently undercapitalized, is balance sheet insolvent, it may also be equitably insolvent, if it has an inability to pay response costs as they become due. Currently, BRG generates minimal income from rents and interest; these sources of income totaled \$39,193 in

⁷² (\$7 million + \$20 million) / 2 = \$13.5 million.

2016.⁷³ This income is insufficient to cover any magnitude of response costs as anticipated, yet it should be noted, that historically, BRG has been able to address mercury costs through capital contributions of Albanese Entities and BRG LampWorks, as exhibited by the capital calls in April and May 2017 referenced in **Section VI.B.** above.

D. Albanese Entities and Albanese Cousins Have Siphoned Funds from BRG

57. An additional factor in considering whether a person or entity is an alter ego is whether the dominant stockholder has siphoned funds from the entity. To evaluate this factor, my analysis has concentrated on the review of certain documents that suggest preference of the Albanese Entities over BRG and BRG LampWorks. This factor speaks to the dominance and control that the Albanese Entities have exerted over BRG to their economic benefit and to BRG's detriment. In my review, I identified several examples of this dominance and control that I detail below. In certain instances, siphoning of funds also shares some overlap and concomitance with the Albanese Entities grossly undercapitalizing BRG.

1. The Albanese Entities Exceeded Budgeted Amounts for Project Staff

58. Under Section 5.7(b) of the Operating Agreement, the Albanese Entities installed Project Staff to aid in carrying out development management services delegated to Albanese Development Corp. at the Site. In part, Section 5.7(b) defined Project Staff as the following:

“Developer will also provide an on-site project manager, a project administrator, and part-time allocation of one project executive and one project accountant (collectively, “Project Staff”) to assist the Developer in the performance of the services set forth in subparagraph (a) of this Section.”⁷⁴

59. At the start of the Albanese Entities' operation of BRG in July 2015, the Albanese Entities installed Project Staff according to **Table 2** below.

⁷³ PLBRG000058634 – 638 at 636, **Exhibit 5**.

⁷⁴ PLBRG000098870 – 967 at 907, **Exhibit 8**.

Table 2 Albanese Entities Employees and BRG Project Staff Positions at July 2015	
Albanese Entities Employee [1]	Project Staff Position [2]
Matthew Frankenberry	Project Manager
Madelyn Cruz	Project Admin
Racquel Brown	Project Accountant
Valerie Targowski	Bookkeeper
Notes/Sources: [1] Summary of fees from July 1, 2015 through September 30, 2015 (PLBRG000246570, Exhibit 34). [2] Project Staff position categorized according to Exhibit E of the Operating Agreement (PLBRG000098870 – 967 at 955 – 956, Exhibit 8).	

60. Of note, Bookkeeper is not a position defined as Project Staff in Section 5.7(b) of the Operating Agreement, yet is included in Exhibit E to the Operating Agreement (“Project Staff Budget”), which details the ADC Pre-Con and Construction Period Staffing Budget.⁷⁵ As attached to the Operating Agreement, the Project Staff Budget detailed anticipated involvement of each Albanese Entities employee and the related direct personnel expenses of Albanese Entities employees passed on to BRG. In turn, BRG would reimburse the Albanese Entities for the allocable costs of its personnel. These direct personnel expenses included salary, bonus, benefits, and taxes, to which an additional overhead charge of 30% was applied. Despite these budgeted rates, the Albanese Entities passed on costs to BRG in excess of the budgeted rates.

61. The Operating Agreement defines Hourly Cost Rate as “the product of (i) 1.3, *multiplied* by (ii) the Direct Personnel Expense for such individual applicable for such given period, *divided* by (iii) 1,824.”⁷⁶ (*Emphasis* original.) Utilizing this formula, I analyzed the Project Staff Budget to calculate the budgeted Hourly Cost Rate as presented in **Schedule 2**. For example, according to the Project Staff Budget, the Hourly Cost Rate of the Project Manager was expected to be \$154.10.⁷⁷ In actuality, for Matthew Frankenberry as Project Manager, the Albanese Entities

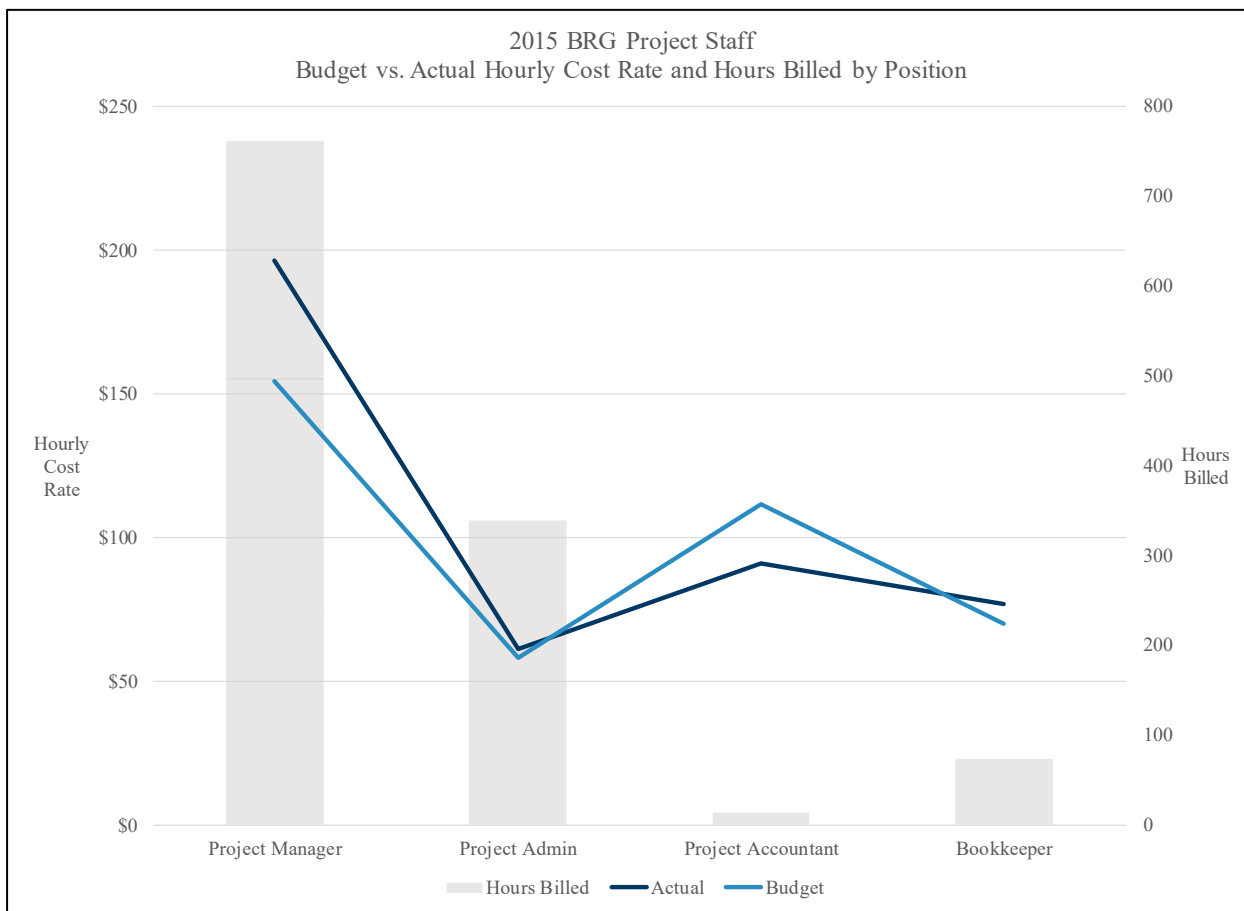
⁷⁵ PLBRG000098870 – 967 at 955 – 956, **Exhibit 8**.

⁷⁶ PLBRG000098870 – 967 at 938, **Exhibit 8**.

⁷⁷ See **Schedule 3**.

invoiced his time to BRG at \$243.10 per hour during 2015,⁷⁸ a 57.75% premium over the budgeted cost.⁷⁹

62. During 2015, the Albanese Entities also billed at rates in excess of budgeted rates for the Project Administrator and Bookkeeper, yet the overbilling for Project Manager was most stark, as the Albanese Entities billed BRG more hours for the Project Manager in 2015 than the other three assigned Project Staff combined. The chart below reflects a comparison of the budgeted and actual Hourly Cost Rates by position and the number of hours that the Albanese Entities billed BRG during 2015.



63. Beyond 2015, the Albanese Entities executed this practice of invoicing BRG in excess of budgeted rates for nearly all Project Staff that the Albanese Entities assigned to BRG and the Site;

⁷⁸ PLBRG000251027, **Exhibit 19**. I understand that Albanese Entities originally invoiced Matthew Frankenberg's time at \$205.70, yet later issued corrected invoices, as it had previously charged a 10% overhead rate rather than 30% overhead rate. (PLBRG000250534, **Exhibit 20** and PLBRG000251026, **Exhibit 19**)

⁷⁹ $(\$243.10 - \$154.10) / \$154.10 = 57.75\%$.

only Racquel Brown, as Project Accountant, was billed at rates less than those calculated from the Project Staff Budget.⁸⁰ Overall, the amounts that the Albanese Entities invoiced BRG exceeded budgeted amounts by 14.68%.⁸¹ As a result, the Albanese Entities siphoned \$58,436 from BRG, which could have otherwise served as a source for remediation costs and other purposes of the operation.

64. While these individual charges alone may seem minor in each instance, taken together in the aggregate they are indicative of a larger pattern of siphoning of funds and dominance by the Albanese Entities over BRG. This is especially true given the undercapitalization of BRG and its thin funding.

2. Search Fee for James Wansor

65. While Matthew Frankenberry was originally installed by AOI as the BRG Project Manager, remarkably the Albanese Entities retained an executive search firm, Specialty Consultants Inc. ("Specialty Consultants"), to identify and hire a dedicated Project Manager for the Site. Specialty Consultants ultimately identified James Wansor, which AOI hired as an AOI employee to manage the Site.
66. On May 22, 2015, and over two weeks before the Albanese Entities were admitted to BRG, Specialty Consultants submitted an invoice to AOI for the "INITIAL RETAINER FEE FOR AGREEMENT #515223" in the amount of \$12,500.⁸² Notably, ADC (not AOI) issued a check to Specialty Consultants for this amount on June 4, 2015, yet still prior to the Albanese Entities being admitted to BRG.⁸³ Though the Albanese Entities had engaged Specialty Consultants for several months, BRG LampWorks was unaware of the efforts. On September 10, 2015, Jack Becker notified Tom Berkenkamp and Mark Schaevitz (two of the principal Members of BRG LampWorks) of the Albanese Entities' plan for the Site's Project Manager.⁸⁴ Tom Berkenkamp reacted to this email in sending this message to Marla Smith (msmith@brgrealty.com) and noting the following:

⁸⁰ See **Schedule 3.1**.

⁸¹ See **Schedule 3.1**.

⁸² PLBRG000205938, **Exhibit 21**.

⁸³ PLBRG000205937, **Exhibit 21**.

⁸⁴ PLBRG000203207 – 208 at 208, **Exhibit 22**.

On Sep 10, 2015, at 9:21 PM, Tom Berkenkamp <tomberkenkamp@brgrealty.com> wrote:

Ugh.

Just spoke to Jack Becker. I thought with Matt Frankenberry, they were done finding personnel.

Apparently they were looking for last 6 months for a guy; the one they thought they had now looks to be busy until Q2 16...

Now, out of the blue – this...

NorthPort NY is as far out as Bayshore.

"We are aware. Guy commutes into NYC now. It's just an additional half hour on PATH.

Guy really wants a career at Albanese and this is his road to it..."

Comp is \$175K/yr.

Mark will not be happy...

PLBRG000203207 – 208, **Exhibit 22.**

67. Tom Berkenkamp's email suggests he was unaware of the efforts that Albanese Entities had undertaken to hire a Project Manager on behalf of BRG, and to that effect, the Albanese Entities had initiated this search weeks before being admitted to BRG.
68. After Jack Becker notified BRG LampWorks of the Albanese Entities' plan to hire James Wansor as Project Manager, the next day (September 11, 2015), Russell Albanese sent James Wansor an employment letter stating, "**Albanese Organization, Inc.** ... is pleased to formally offer you the position of Senior Project Manager."⁸⁵ (**Emphasis** added.) Russell Albanese also informed James Wansor of his assignment at the Site, noting, "The first project you will be assigned to is **our** latest development located in Harrison, New Jersey."⁸⁶ (**Emphasis** added.)
69. On December 3, 2015, BRG finalized reimbursement to ADC for the \$12,500 retainer it originally paid to Specialty Consultants,⁸⁷ and it approved payment to Specialty Consultants for the \$36,500 balance of the agreement.⁸⁸ BRG's general ledger reflects these costs as being incurred on that same date.⁸⁹
70. As such, though James Wansor was hired as an AOI employee, the Albanese Entities passed on the entire \$49,000 recruitment fee to BRG, thus siphoning more expenses from BRG that could have otherwise served as a source for remediation costs and other purposes of the operation.

⁸⁵ PLBRG000245954 – 957 at 954, **Exhibit 23.**

⁸⁶ PLBRG000245954 – 957 at 954, **Exhibit 23.**

⁸⁷ PLBRG000205936 – 938, **Exhibit 21.**

⁸⁸ PLBRG000205939 – 940, **Exhibit 24.**

⁸⁹ PLBRG000058592 – 624 at 605, **Exhibit 14.**

Moreover, given that the Albanese Entities retained Specialty Consultants without BRG LampWorks's knowledge, it underscores the dominance and control that the Albanese Entities have exerted over BRG from a financial perspective.

3. Reimbursed Project Staff Expenses Concurrent with Mercury Remediation

71. Despite looming and extant remediation costs as well as insufficient funds, the Albanese Entities continued to submit invoices to BRG for reimbursement of its Project Staff. Even after the Albanese Entities and BRG LampWorks entered the Mercury Funding Agreement, the Albanese Entities continued siphoning funds from BRG for reimbursement of the Albanese Entities employees.
72. On May 3, 2017, the Albanese Entities and BRG LampWorks entered the Mercury Funding Agreement acknowledging that to date, Mercury Costs had totaled \$868,250.40.⁹⁰
73. I understand that the Mercury Funding Agreement provides for Post-Restructuring Mercury Loans up to \$1,800,000, which further acknowledges that BRG would incur additional remediation costs and that the Albanese Entities would, at least, be partially responsible for such response costs.
74. On May 12, 2017, Racquel Brown, a project accountant at AOI, emailed Tom Berkenkamp, the Albanese Cousins, and other Albanese Entities personnel, alerting them that BRG once again had insufficient funds to cover its current obligations. Ms. Brown wrote, "Attached please find a list of all the open invoices for the Lampworks Project totaling \$429,264.26. Currently we have \$62,622.44 in the checking account. I feel a cash call needs to be made in the amount of \$500,000."⁹¹ Shortly thereafter, and at least by May 22, 2017, the Albanese Entities contributed \$375,000 and BRG LampWorks contributed \$125,000.⁹² Once again, this infusion of cash (even if insufficient) demonstrates the Albanese Entities acknowledgement of their financial obligation for the Site. Nonetheless, in the interim, on May 15, 2017 and May 16, 2017, Racquel Brown submitted invoices to BRG for reimbursement of the Albanese Entities for personnel expenses totaling \$313,135.03, as summarized in the table below.

⁹⁰ PLBRG000174932, **Exhibit 25**.

⁹¹ PLBRG000213398 – 399 at 398, **Exhibit 18**.

⁹² PLBRG000213465, **Exhibit 26**.

<p align="center">Table 3 Payments to Albanese Entities Subsequent to Mercury Funding Agreement</p>								
Ref#	Payee	Project Admin	Submission Date	Project Exec Approval Date	BRG Approval Date	Description	Amount	Source
497	ADC	RB	05/15/17	05/19/17	05/22/17	Jan - Apr 2016 Fees	\$ 129,654.26	PLBRG000213479
499	ADC	RB	05/15/17	05/19/17	05/22/17	May - Sep 2016 Fees	74,781.04	PLBRG000213482
500	ADC	RB	05/15/17	05/19/17	05/22/17	Oct - Dec 2016 Fees	28,462.24	PLBRG000213484
501	ADC	RB	05/16/17	05/19/17	05/22/17	Corrected Adjustment	69,540.00	PLBRG000213486
502	ADC	RB	05/15/17	05/19/17	05/22/17	Jan - Mar 2017 Fees	<u>10,697.49</u>	PLBRG000213488
Total							<u>\$313,135.03</u>	

75. In Ms. Brown's email of Friday, May 12, 2017, it appears that open invoices of \$429,264.26 include these invoices for reimbursement to the Albanese Entities, as she writes, "Note I have not sent you any of these invoice [sic] to approved [sic] as they are not yet processed for payment."⁹³

76. The five invoices noted above were submitted on the following Monday and Tuesday, May 15, 2017 and May 16, 2017. As such, reimbursement to the Albanese Entities for the cost of Project Staff comprised 72.95%⁹⁴ of the open invoices and 62.66%⁹⁵ of the proposed \$500,000 cash call. Accordingly, faced with future remediation costs for mercury related remediation, that Albanese acknowledged could reach \$1,800,000, the Albanese Entities initiated a cash call that appears to have largely contributed to reimbursement of its own personnel costs, reflecting a siphoning funds from BRG that would have otherwise served as a source for remediation costs and other purposes of the operation.

E. BRG is Economically Dependent on Albanese Entities and Albanese Cousins

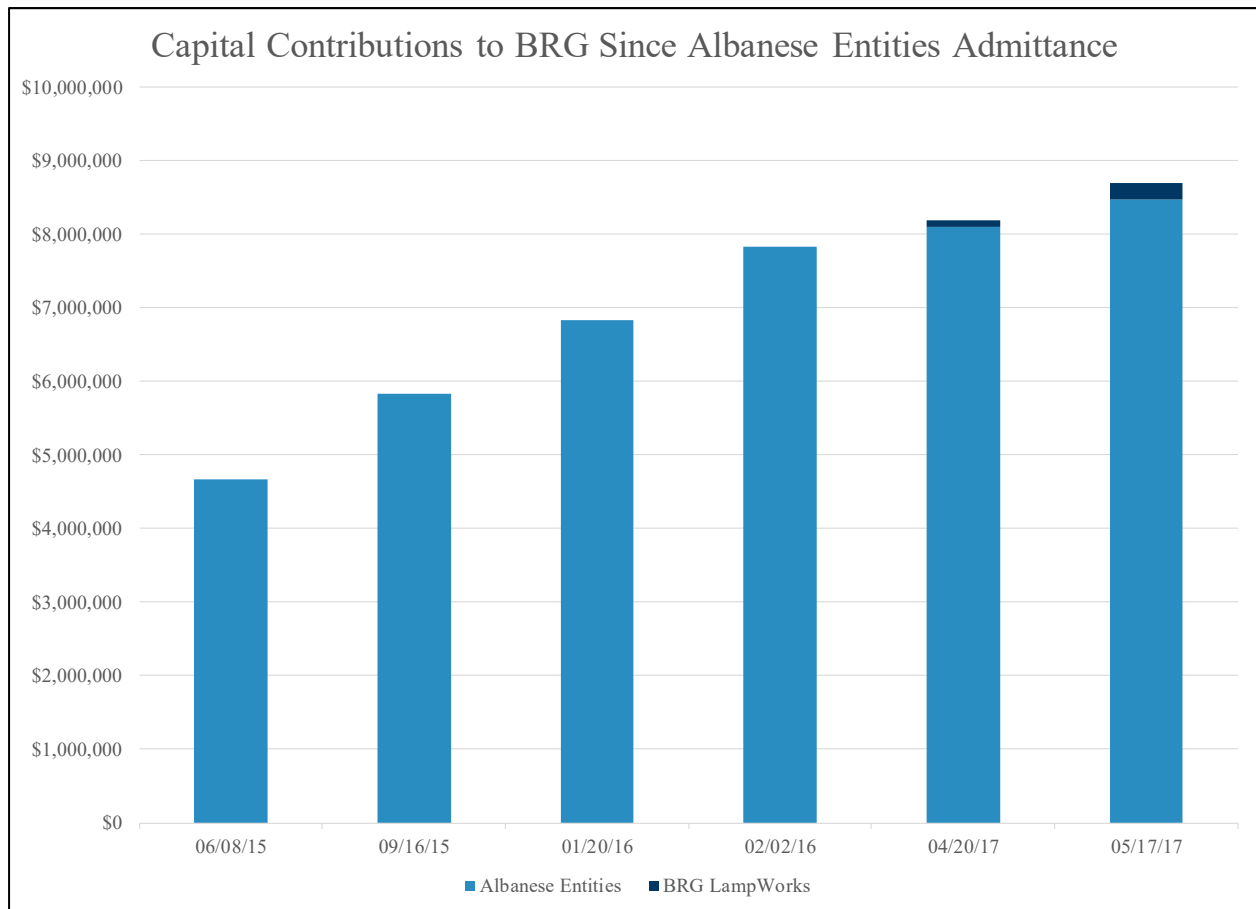
77. The three indicia of the alter ego discussed above are financial in nature and speak to BRG's economic dependence on the Albanese Entities as well as the dominance and control that the Albanese Entities have exerted over BRG from a financial perspective. Since admittance to BRG, the Albanese Entities have contributed nearly all the capital of BRG. From June 2015 through March 2017, the Albanese Entities contributed every penny to BRG. Through May

⁹³ PLBRG000213398, **Exhibit 18**.

⁹⁴ \$313,135.03 / \$429,264.26 = 72.95%.

⁹⁵ \$313,135.03 / \$500,000.00 = 62.66%.

2017, the Albanese Entities contributed \$8,478,335 compared to BRG LampWorks' contributions of \$215,000.⁹⁶ The Albanese Entities' contributions have comprised 97.53% of total contributions to BRG, underscoring the economic dependence that BRG has on the Albanese Entities, as demonstrated in the chart below. Concomitantly, the Albanese Entities and Cousins have dominated BRG.



78. Since the Albanese Entities' admittance into BRG, at every turn, BRG has been economically dependent on the Albanese Entities. BRG relied on the initial contribution of \$4,666,666.50 to acquire the Site.⁹⁷

79. Based on my understanding of the Operating Agreement, the Albanese Entities were required to make Initial Capital Contributions of \$9,333,333, which dwarf the \$2,336,667 in capital contributions that BRG LampWorks had made prior to admittance of the Albanese Entities.⁹⁸

⁹⁶ See **Schedule 4**.

⁹⁷ PLBRG000098881, **Exhibit 8**.

⁹⁸ PLBRG000098880 – 881, **Exhibit 8**.

80. I also understand that in the event that BRG is unable to secure a sufficient construction loan, Albanese Entities committed to bridging the gap with Preferred Capital Loans up to \$9,333,333, for which BRG LampWorks does not have a similar obligation.⁹⁹ In the event that additional capital contributions are necessary, the Additional Contribution Ratio defined in the Operating Agreement dictates that the Albanese Entities contribute two-thirds of contributions up to \$4,000,000, which is twice as much as the one-third for BRG LampWorks up to \$2,000,000.¹⁰⁰ I understand that the Additional Contribution Ratio similarly applies to the Albanese Entities and BRG LampWorks providing financing guaranties, including environmental guaranties, in the same two-thirds/one-third proportion.¹⁰¹
81. BRG's economic dependence on the Albanese Entities extends beyond the terms of the Operating Agreement. Within the Mercury Funding Agreement, future Post-Restructuring Mercury Loans are funded 75/25 between the Albanese Entities and BRG LampWorks.¹⁰² Accordingly, for Draw #2 under the Mercury Funding Agreement, the Albanese Entities contributed \$375,000, or 75% of the cash call.¹⁰³
82. Not only was BRG economically dependent on the Albanese Entities to acquire the subject property of the supposed joint venture, but ever since, BRG has relied on the Albanese Entities' financial wherewithal to fund its operations and provide assurances to BRG LampWorks that it can provide the majority of additional contributions, financial guaranties, and loans. This evidentially also included remediation obligations, as noted by their Mercury Funding Agreement.
83. In plain terms, both the Albanese Entities and BRG LampWorks have recognized BRG's economic dependence on the Albanese Entities and have acted accordingly.

F. Summary of BRG Funding Sources and Revisiting BRG's Ability to Pay

84. Despite BRG's suspect assertion that it may not have an ability to pay EPA's response costs, my understanding of the BRG Operating Agreement provides several avenues for the Albanese Entities and BRG LampWorks to fund the venture. As demonstrated in the table below, the BRG

⁹⁹ PLBRG000098889, **Exhibit 8**.

¹⁰⁰ PLBRG000098882, **Exhibit 8**.

¹⁰¹ PLBRG000098906, **Exhibit 8**.

¹⁰² PLBRG000174932, **Exhibit 25**.

¹⁰³ PLBRG000213398, **Exhibit 18**.

Operating Agreement and Mercury Funding Agreement account for approximately \$28.8 million of funding sources for BRG; and based on my review to date of certain documents, approximately \$11.0 million of these sources have been used at BRG. Funding sources of \$17.8 million remain, of which the Albanese Entities account for 87.41%.¹⁰⁴ As such, BRG remains economically dependent on the Albanese Entities still.

Table 4 BRG Funding Sources and Uses [1]			
Funding Source	Albanese Member	BRG Member	Total
<u>Initial Capital Contributions</u>			
Initial Capital Contribution Cap	\$ 9,333,333	\$ 2,336,667	\$ 11,670,000
Initial Capital Contributions	7,833,335	2,336,667	10,170,002
Remaining Initial Capital Contributions	1,499,999	-	1,499,999
<u>Post-Restructuring Mercury Loans</u>			
Post-Restructuring Mercury Loans	1,350,000	450,000	1,800,000
Draw #1	270,000	90,000	360,000
Draw #2	375,000	125,000	500,000
Remaining Post-Restructuring Mercury Loans	705,000	235,000	940,000
<u>Additional Funding Sources</u>			
Preferred Capital Loans	9,333,333	-	9,333,333
Additional Capital Contributions	4,000,000	2,000,000	6,000,000
Remaining Additional Funding Sources	13,333,333	2,000,000	15,333,333
Funding Sources	\$ 24,016,666	\$ 4,786,667	\$ 28,803,333
Funding Uses	8,478,335	2,551,667	11,030,002
Total Remaining Funding Sources	\$ 15,538,332	\$ 2,235,000	\$ 17,773,332
Notes/Sources:			
[1] See Schedule 5.			

85. As reflected in **Table 4** above, these funding sources include untapped Initial Capital Contributions, Preferred Capital Loans, Additional Capital Contributions, and Post-Restructuring Mercury Loans. In addition to these funding sources provided by the Operating Agreement and Mercury Funding Agreement, I understand that the Operating Agreement also allows for the

¹⁰⁴ \$15,553,333 / \$17,793,333 = 87.41%.

Members of BRG to provide guaranties to lenders, inclusive of environmental guaranties, which are not reflected in the figures above. These remaining funding sources exceed the floor of potential response costs of \$7 million and nearly meet the upper-end of the range of potential response costs of \$20 million.

86. Thus, BRG has the ability to pay ability to pay and contribute towards the payment of response costs at the Site. Nonetheless, the Albanese Entities and Cousins have left BRG cash strapped.

G. Review of Additional Indicia of the Alter Ego

87. While I have been asked to form an opinion on BRG's economic dependence on the Albanese Entities as it relates to the indicia of the alter ego that are financial in nature, I have also been asked to record my observations of documents I reviewed as they relate to additional indicia. The indicia include (i) failure to observe corporate formalities; (ii) non-functioning of other officers or directors; (iii) absence of corporate records; and (iv) the corporation is merely a façade for the operations of the dominant stockholder. In the following regard, I render no opinion beyond those of a financial nature, nor are my opinions intended to be construed as an ultimate legal conclusion.

1. Work Performed of Albanese Entities Personnel

88. The Operating Agreement sets out guidelines and designates roles to key personnel for the supposed joint venture, as in Sections 5.2(e), 5.3(e), and 5.7(b). Through my document review and investigation, I observed that in certain instances, personnel of Albanese Entities may have performed various tasks beyond what I understand to be the scope outlined within the Operating Agreement.

89. I understand that under the Operating Agreement, there are certain designated roles for Authorized Representatives, Project Staff, and ADC Executives. I understand that ADC Executives are not to exercise the roles as Project Staff. I further understand that Project Staff are to carry out Development Management Services, which include, among other tasks, “(x) oversee[ing] the selection and contract negotiations with all subcontractors; (xi) negotiate[ing] all contracts with consultants”¹⁰⁵

- i. Emails between Tom Berkenkamp and Scott Angel, dated July 13, 2015:

¹⁰⁵ PLBRG000098907, **Exhibit 8**.

- In an email to Scott Angel, Tom Berkenkamp writes, “I was shocked to see a check for \$25,234.96 payable to Albanese Development Corp was cut and paid on July 2, 2015 without our prior review nor approval.” He continues, “Please note that this is contrary to the terms of the Operating Agreement.”¹⁰⁶
- Scott Angel has not been identified as ADC Project Staff.¹⁰⁷
- Scott Angel is not listed as an Authorized Representative or ADC Executive in the Operating Agreement.¹⁰⁸
- ii. Environmental Services Agreement of Anchor QEA, dated February 26, 2016:
 - Jack Becker received the proposal from Anchor QEA. Jack Becker is designated as an ADC Executive in the Operating Agreement.¹⁰⁹
 - “This proposal has been prepared based on information provided to Anchor QEA via electronic mail from Albanese Organization, Inc. (Albanese), dated January 28, 2016.”¹¹⁰
- iii. R.D. Jones Interior Design Agreement, dated September 21, 2015:
 - Jack Becker is designated as Developer’s Representative. I understand that the Authorized Representatives of the Albanese Member in BRG are Russell C. Albanese and Christopher V. Albanese.¹¹¹
- iv. Hunrath, Napolitano, Quigley & Taylor, LLC Letter, dated October 22, 2015:
 - Letter addressed to Scott Angel and James F. Polcari of AOI at AOI address.¹¹²
 - Hunrath, Napolitano, Quigley & Taylor, LLC can handle “your company’s [accounting and tax] needs.”¹¹³
 - Scott Angel and James Polcari have not been identified as Project Staff at ADC.¹¹⁴

¹⁰⁶ PLBRG000230397 – 399 at 397, **Exhibit 27**.

¹⁰⁷ See **Schedule 3**.

¹⁰⁸ PLBRG000098870 at 907, **Exhibit 8**.

¹⁰⁹ PLBRG000066549, **Exhibit 41**.

¹¹⁰ PLBRG000066549, **Exhibit 41**.

¹¹¹ PLBRG000158899, **Exhibit 28**; PLBRG000158912- 913, **Exhibit 28**.

¹¹² PLBRG000094732, **Exhibit 29**.

¹¹³ PLBRG000094732, **Exhibit 29**.

¹¹⁴ See **Schedule 3**.

- o Scott Angel and James Polcari are not listed as Authorized Representatives or ADC Executives in the Operating Agreement.¹¹⁵
- v. Emails between Russell Albanese and Tom Berkenkamp, dated August 8, 2016, re: Former Vo-Toys Property – 400 South 5th Street, Harrison:
 - o Tom Berkenkamp says that joining a meeting with the Mayor of Harrison “will be Russell Albanese who is the Chairman of the Albanese Organization.”¹¹⁶
 - o I understand that Albanese Organization is not supposed to be affiliated with BRG.

2. Albanese Entities Conducted BRG Business Prior to Admittance

90. On June 8, 2015, some of the Albanese Entities were admitted into BRG, yet certain documents that pre-date this admittance are addressed to other Albanese Entities:

- i. Owner – Contractor Agreement of Absolute Protection Services dated July 2, 2015:
 - o The proposal is dated March 24, 2015 and addressed to BRG c/o ADC.¹¹⁷
 - o The Operating Agreement of BRG between AHL and BRG LampWorks was executed on June 8, 2015.
- ii. Invoice #515223-1 of Specialty Consultants, dated May 22, 2015:
 - o The Operating Agreement of BRG between AHL and BRG LampWorks was executed on June 8, 2015.
 - o The retainer fee for Specialty Consultants to find a Senior Project Manager for the New Jersey LampWorks project is dated May 22, 2015.¹¹⁸
 - o A check for \$12,500 from ADC to Specialty Consultants is dated June 4, 2015.¹¹⁹
- iii. Proposal of IRL Systems, Inc. dated May 29, 2015:
 - o The Operating Agreement of BRG between AHL and BRG LampWorks was executed on June 8, 2015.

¹¹⁵ PLBRG000098903, **Exhibit 8**.

¹¹⁶ PLBRG000171358, **Exhibit 30**.

¹¹⁷ PLBRG000062318, **Exhibit 46**.

¹¹⁸ PLBRG000205938, **Exhibit 21**.

¹¹⁹ PLBRG000205937, **Exhibit 21**.

- The proposal is dated May 29, 2015, for an Installation Agreement for CCTV System at 400 South 5th Street, Harrison, NJ.¹²⁰ The proposal is addressed to Albanese Organization at its headquarters in Garden City, NY and Albanese Organization is defined as the “Customer” in the proposal.¹²¹
- iv. Alliant Insurance Services Property & Liability Proposal for BRG, dated June 4, 2015:
 - The Operating Agreement of BRG between AHL and BRG LampWorks was executed on June 8, 2015.
 - The proposal is dated June 4, 2015, for the site 400 S. Fifth St., 420 S. Fifth St., & 530 Bergen St., Harrison, NJ.¹²² The header of the insurance proposal is directed to Albanese Development Corp.¹²³

3. Albanese and BRG Entities Used Interchangeably

91. Within certain documents, AOI is used interchangeably with other entities (*e.g.*, BRG and ADC) without an apparent distinction:

- i. Resolution Authorizing and Approving the Albanese Organization as a Member of BRG Harrison Lofts Urban Renewal LLC of the Harrison Redevelopment Agency, dated June 15, 2015:
 - Albanese Organization is referred to in the title of the resolution.¹²⁴
 - The body of the resolution refers to Albanese Development Corporation on three occasions.¹²⁵
 - The resolution also refers to “Albanese” in a singular form on two occasions.¹²⁶
 - 1. **“WHEREAS**, thereafter, its Chief Financial Officer submitted a letter stating that Albanese has liquid assets in excess of \$20,000,000 ...” (EMPHASIS original.)

¹²⁰ PLBRG000264136, **Exhibit 31**.

¹²¹ PLBRG000264136, **Exhibit 31**.

¹²² PLBRG000150658, **Exhibit 32**.

¹²³ PLBRG000150659, **Exhibit 32**.

¹²⁴ PLBRG000081376, **Exhibit 11**.

¹²⁵ PLBRG000081376, **Exhibit 11**.

¹²⁶ PLBRG000081376, **Exhibit 11**.

2. “However, if Albanese in the future seeks to obtain more than a 50% ownership interest in BRG, it shall first obtain approval of the Agency and provide detailed financial and other information as may be required by the Agency at the time.”
- ii. \$80 Million Multi-Family Construction Financing Request:
 - o This document soliciting funding for BRG is printed with the AOI logo and has contact information for Michael A. Ritz, Vice President of AOI.
 - o In the overview of the project, BRG is referred to as a joint venture between AOI and Berkenkamp Realty Group. When describing the sponsorship of the project, the joint venture is described as between ADC and Berkenkamp Realty Group.
 - o With regard to ADC Select Project Experience, a description of the Wyandanch Village project identifies “Albanese Organization” as the Master Developer of the Project and not ADC.
- iii. Owner – Contractor Agreement of Absolute Protection Systems, Inc. dated July 2, 2015:
 - o Owner is defined as BRG with offices at c/o AOI with the AOI headquarters address. According to Exhibit B regarding Minimum Insurance Requirements, the Certificate Holder is BRG c/o ADC.¹²⁷
- iv. Consultant Agreement between BRG and J&J Aquatics, a division of J&J Pools dated August 6, 2015:
 - o Owner is defined as BRG with offices at c/o AOI with the AOI headquarters address.¹²⁸
 - o In an attached letter to Mr. Matthew Frankenberry, J&J Aquatics says, “This proposal is based upon information that was provided by Albanese Development.”¹²⁹
- v. Memorandum for Joint Venture between BRG and ADC dated January 22, 2015:
 - o The letter outlines terms for the supposed joint venture between BRG and ADC.¹³⁰

¹²⁷ PLBRG000062308, **Exhibit 46**.

¹²⁸ PLBRG000171165, **Exhibit 33**.

¹²⁹ PLBRG000171178, **Exhibit 33**.

- AOI letterhead is used for the letter.¹³¹
- The letter was signed by Christopher Albanese, President of ADC.¹³²
- vi. Letter re: BRG summary of Fees from ADC dated November 23, 2015:
 - AOI letterhead is used for the letter.¹³³
 - The subject is re: Summary of Fees from ADC.¹³⁴
 - BRG and AOI both listed with an address of AOI headquarters.¹³⁵
- vii. Emails between Michael Ritz, Tom Berkenkamp, Mark Schaevitz, dated February 10, 2015 re: Lampworks – Outstanding BRGHL Contracts & Ltr Agmts:
 - The email states “Jack has almost 40 years of experience and over 20 years at Albanese. He is Russell’s right hand for all construction projects.”¹³⁶
- viii. BRG Schedule of Due Diligence Items, dated October 27, 2015:
 - Document is prepared by ADC.¹³⁷
 - The website address listed is www.albaneseorg.sharepoint.com.¹³⁸
- ix. BRG 2015 General Ledger:

On June 19, 2015, there are entries described as “transfer BRG bal to AOI ledger.”
The header of the ledger denotes Albanese Development Corporation.¹³⁹
- x. Agreement of The Concord Group, dated February 6, 2015:
 - The agreement is addressed to Michael Ritz of AOI.¹⁴⁰

¹³⁰ PLBRG000061809, **Exhibit 9**.

¹³¹ PLBRG000061809, **Exhibit 9**.

¹³² PLBRG000061813, **Exhibit 9**.

¹³³ PLBRG000246570, **Exhibit 34**.

¹³⁴ PLBRG000246570, **Exhibit 34**.

¹³⁵ PLBRG000246570, **Exhibit 34**.

¹³⁶ PLBRG000217450, **Exhibit 35**.

¹³⁷ PLBRG000059407, **Exhibit 36**.

¹³⁸ PLBRG000059407, **Exhibit 36**.

¹³⁹ See example at PLBRG000058620, **Exhibit 14**.

¹⁴⁰ PLBRG000158570, **Exhibit 37**.

- The body of the agreement states, “The Albanese Organization, Inc. (“Albanese”) is evaluating the development potential of a multifamily for-rent residential development site in Harrison, New Jersey.”¹⁴¹
- The header on the signature page of the agreement denotes “Albanese Organization, Inc.”¹⁴²
- The agreement is signed by Michael Ritz and the entity listed is “Albanese Development Corp.”¹⁴³
- xi. Mercury field screening from Site Remediation Group LLC, dated January 26, 2016:
 - An address listed on these drawings is 400 South 5th Street, Harrison, New Jersey, an address for the Site.¹⁴⁴
 - The entity referred to with that address is “Albanese Organization.”¹⁴⁵
- xii. Invoice #1121 from Force Services, dated January 31, 2016:
 - The invoice’s “Bill To” and “Ship To” names are ADC.¹⁴⁶
 - The invoice was received by Albanese Organization, Inc. on March 3, 2016.¹⁴⁷
- xiii. Invoice #515223-1 of Specialty Consultants, dated May 22, 2015:
 - The invoice is addressed to AOI.¹⁴⁸
 - Handwriting on the invoice indicates the invoice was “PAID BY ADC.”¹⁴⁹
 - There is a check for \$12,500 from ADC to Specialty Consultants paying the invoice amount.¹⁵⁰

¹⁴¹ PLBRG000158570, **Exhibit 37**.

¹⁴² PLBRG000158572, **Exhibit 37**.

¹⁴³ PLBRG000158572, **Exhibit 37**.

¹⁴⁴ PLBRG000094046 – 054, **Exhibit 38**.

¹⁴⁵ PLBRG000094046 – 054, **Exhibit 38**.

¹⁴⁶ PLBRG000158572, **Exhibit 37**.

¹⁴⁷ PLBRG000211640, **Exhibit 39**.

¹⁴⁸ PLBRG000205938, **Exhibit 21**.

¹⁴⁹ PLBRG000205938, **Exhibit 21**.

¹⁵⁰ PLBRG000205937, **Exhibit 21**.

92. What is apparent from these documents and examples is that the Albanese Entities acted interchangeably, and sometimes with no distinction, from BRG.

4. Documents Indicate Confusion of Albanese Entities

93. I understand that Albanese Harrison Lofts LLC, Albanese Development Corporation, and Albanese Organization, Inc. are supposed to be distinct legal entities. In certain instances, documents are addressed to or refer to an entity that appears related to the Albanese Entities, on its face, but I understand is not active per **Schedule 6**:

- i. Consultant Agreement of Grumman/Butkus Associates, dated August 6, 2015:
 - o The proposal states, “G/BA Commissioning Services (G/BA) is pleased to submit this proposal to Albanese Development Organization, Inc. (Owner) for study consulting services associated with the above-referenced project.”¹⁵¹
 - o Exhibit A to the agreement regarding the Schedule of Reimbursable Expenses has a heading for “Albanese Development Organization, Inc.”¹⁵²
- ii. Resolution Authorizing and Approving the Albanese Organization as a Member of BRG Harrison Lofts Urban Renewal LLC of the Harrison Redevelopment Agency, dated June 15, 2015:
 - o Albanese Organization is referred to in the title of the resolution.¹⁵³
 - o The body of the resolution refers to Albanese Development Corporation on three occasions.¹⁵⁴
 - o The resolution also refers to “Albanese” in a singular form on two occasions.¹⁵⁵
 - 1. **“WHEREAS**, thereafter, its Chief Financial Officer submitted a letter stating that Albanese has liquid assets in excess of \$20,000,000 ...”
(**EMPHASIS** original)

¹⁵¹ PLBRG000062021, **Exhibit 45**.

¹⁵² PLBRG000062024, **Exhibit 45**.

¹⁵³ PLBRG000081376, **Exhibit 11**.

¹⁵⁴ PLBRG000081376, **Exhibit 11**.

¹⁵⁵ PLBRG000081376, **Exhibit 11**.

2. "However, if Albanese in the future seeks to obtain more than a 50% ownership interest in BRG, it shall first obtain approval of the Agency and provide detailed financial and other information as may be required by the Agency at the time."

5. Subcontractor Agreements Include AOI as Additional Insured/Indemnatee

94. I understand that AHL is a Member of BRG and ADC is designated as the Developer of BRG. I also understand that AOI is supposed to have no affiliation with or interest in BRG, yet I observed that AOI is commonly included in subcontractor agreements as an additional insured or indemnatee in the following instances:

- i. Consultant Agreement of Grumman/Butkus Associates dated August 6, 2015:
 - o AOI is included as an additional insured/indemnatee.¹⁵⁶
- ii. Owner – Contractor Agreement of Absolute Protection Systems, Inc., dated July 2, 2015:
 - o AOI is included as an additional insured/indemnatee.¹⁵⁷
- iii. Consultant Agreement of Peak Environmental LLC, dated December 7, 2015:
 - o AOI is included as an additional insured/indemnatee.¹⁵⁸
- iv. Subcontract Agreement of Force Services LLC, dated August 13, 2015:
 - o AOI is included as an Indemnatee in Article 18 regarding indemnification as well as included as an additional insured in Exhibit C of the agreement.¹⁵⁹
- v. Subcontract Agreement of Sky Electric, LLC, dated September 8, 2015:
 - o AOI is included as an Indemnatee in Article 18 regarding indemnification as well as included as an additional insured in Exhibit C of the agreement.¹⁶⁰
- vi. Alliant Insurance Services Property & Liability Proposal for BRG, dated June 4, 2015:
 - o AOI is a named insured on the insured/location schedule.¹⁶¹
- vii. R.D. Jones Interior Design Agreement, dated September 21, 2015:

¹⁵⁶ PLBRG000062036, **Exhibit 45**.

¹⁵⁷ PLBRG000062324, **Exhibit 46**.

¹⁵⁸ PLBRG000062437, **Exhibit 48**.

¹⁵⁹ PLBRG000062570, **Exhibit 49**.

¹⁶⁰ PLBRG000062619, **Exhibit 40**; PLBRG000062635, **Exhibit 40**.

¹⁶¹ PLBRG000150659, **Exhibit 32**.

o AOI is included in Article 8, the Insurance and Indemnification section.¹⁶²

viii. Consultant Agreement between BRG and J&J Aquatics, a division of J&J Pools, dated August 6, 2015.

o AOI is included in the list of additional insured.¹⁶³

6. BRG Address is Care of AOI

95. While I understand that AOI is supposed to have no affiliation with or interest in BRG, various documents and subcontractor agreements acknowledge that BRG's office is care of AOI:

- i. Consultant Agreement of Grumman/Butkus Associates dated August 6, 2015:
 - o The face of the agreement is addressed to BRG c/o AOI with the AOI headquarters address.¹⁶⁴
- ii. Owner – Contractor Agreement of Absolute Protection Systems, Inc., dated July 2, 2015:
 - o Owner is defined as BRG with offices at c/o AOI with the AOI headquarters address.¹⁶⁵
- iii. Consultant Agreement of Peak Environmental LLC, dated December 7, 2015:
 - o The face of the agreement is addressed to BRG c/o AOI with the AOI headquarters address.¹⁶⁶
- iv. Subcontract Agreement of Force Services LLC:
 - o While BRG is represented as a New Jersey Corporation, its offices are listed at the AOI headquarters address.¹⁶⁷
- v. Subcontract Agreement of Sky Electric, LLC, dated September 8, 2015:
 - o While BRG is represented as a New Jersey Corporation, its offices are listed at the AOI headquarter address.¹⁶⁸
- vi. Environmental Services Agreement of Anchor QEA, dated February 26, 2016:
 - o The agreement is made with BRG having an address c/o AOI with AOI headquarters as the address.¹⁶⁹
- vii. Alliant Insurance Services Property & Liability Proposal, dated June 4, 2015:
 - o The mailing address is c/o AOI with AOI headquarters on the insured/location schedule.¹⁷⁰

¹⁶² PLBRG000158910, **Exhibit 28**.

¹⁶³ PLBRG000171189, **Exhibit 33**.

¹⁶⁴ PLBRG000062007, **Exhibit 45**.

¹⁶⁵ PLBRG000062308, **Exhibit 46**.

¹⁶⁶ PLBRG000062411, **Exhibit 48**.

¹⁶⁷ PLBRG000062560, **Exhibit 49**.

¹⁶⁸ PLBRG000062609, **Exhibit 40**.

¹⁶⁹ PLBRG000066537, **Exhibit 41**.

- viii. R.D. Jones Interior Design Agreement, dated September 21, 2015:
 - o The developer is listed is BRG c/o AOI and AOI headquarters as the address.¹⁷¹
- ix. Consultant Agreement between BRG and J&J Aquatics, a division of J&J Pools, dated August 6, 2015:
 - o The contract is entered into as BRG c/o AOI.¹⁷²
 - o The owner is listed as BRG with a mailing address at AOI headquarters.¹⁷³
- x. Environmental Services Agreement of Anchor QEA dated February 26, 2016:
 - o The agreement is made with BRG c/o AOI and address at AOI headquarters.¹⁷⁴
- xi. Proposal of IRL Systems, Inc., dated May 29, 2015:
 - o The proposal agreement is addressed to AOI at AOI headquarters.¹⁷⁵
- xii. Environmental Services Agreement with Gradco LLC d/b/a Gradient, dated March 11, 2016:
 - o The agreement is made with BRG having an address at c/o AOI with AOI headquarters.¹⁷⁶
 - o The proposal letter is addressed to BRG c/o AOI with an address at AOI headquarters.¹⁷⁷
- xiii. Form 1065 for years ended December 31, 2015 and 2016:
 - o Form 1065 filed for AHL c/o AOI with AOI headquarters as the address listed.¹⁷⁸

96. It is noteworthy that even EPA's BRG GNL, dated July 25, 2018, is addressed to "BRG Harrison Lofts Urban Renewal LLC c/o Christopher V. Albanese President Albanese Organization" with AOI headquarters address. This is yet another indication of domination, as Albanese Entities and BRG have become indistinguishable.

7. In Connection with Subcontractor Agreements, Notices are to be Sent to AOI Address

97. Again, while I understand that AOI is supposed to have no affiliation with or interest in BRG, subcontractor agreements acknowledge that notices, consents, approvals, and requests are to be submitted to BRG care of AOI:

¹⁷⁰ PLBRG000150658, **Exhibit 32**.

¹⁷¹ PLBRG000158899, **Exhibit 28**.

¹⁷² PLBRG000171164, **Exhibit 33**.

¹⁷³ PLBRG000171165, **Exhibit 33**.

¹⁷⁴ PLBRG000066537, **Exhibit 41**.

¹⁷⁵ PLBRG000264136, **Exhibit 31**.

¹⁷⁶ PLBRG000209775, **Exhibit 42**.

¹⁷⁷ PLBRG000209786, **Exhibit 42**.

¹⁷⁸ PLBRG000295395 – 396, **Exhibit 43**; PLBRG000295803 – 804, **Exhibit 44**.

- i. Consultant Agreement of Grumman/Butkus Associates, dated August 6, 2015:
 - o If notices are sent to the Owner, they are to be addressed to BRG care of AOI with attention to Jack Becker.¹⁷⁹
- ii. Consultant Agreement of Peak Environmental LLC, dated December 7, 2015:
 - o If notices are sent to the Owner, they are to be addressed to BRG care of AOI with attention to Jack Becker.¹⁸⁰
- iii. Subcontract Agreement of Force Services LLC dated August 13, 2015:
 - o All notices to BRG shall be addressed at AOI headquarters with attention to Jack Becker.¹⁸¹
- iv. Environmental Services Agreement of Anchor QEA, dated February 26, 2016:
 - o If notices are sent to the Customer, they are to be addressed to BRG care of AOI with attention to Jack Becker.¹⁸²
- v. Subcontract Agreement of Sky Electric, LLC, dated September 9, 2015:
 - o If notices are sent to the Customer, they are to be addressed to BRG care of AOI with attention to Jack Becker.¹⁸³
- vi. Consultant Agreement between BRG and J&J Aquatics, a division of J&J Pools, dated August 6, 2015:
 - o If notices are sent to the Owner, they are to be addressed to BRG care of AOI with attention to Jack Becker.¹⁸⁴
- vii. Environmental Services Agreement with Gradco LLC d/b/a Gradient, dated March 11, 2016:
 - o If notices are sent to the Customer, they shall be addressed to BRG c/o AOI with attention to Jack Becker.¹⁸⁵

8. Subcontractor Certificate of Insurance Held at AOI Address

98. While I understand that AOI is supposed to have no affiliation with or interest in BRG, subcontractor agreements acknowledge that for insurance requirements, the certificate holder is BRG care of AOI:

- i. Consultant Agreement of Grumman/Butkus Associates, dated August 6, 2015:
 - o For insurance requirements, the certificate holder is BRG c/o AOI with the AOI headquarters address.¹⁸⁶

¹⁷⁹ PLBRG000062015, **Exhibit 45**.

¹⁸⁰ PLBRG000062420, **Exhibit 48**.

¹⁸¹ PLBRG000062573, **Exhibit 49**.

¹⁸² PLBRG000066545, **Exhibit 41**.

¹⁸³ PLBRG000062623, **Exhibit 40**.

¹⁸⁴ PLBRG000171173, **Exhibit 33**.

¹⁸⁵ PLBRG000209782, **Exhibit 42**.

¹⁸⁶ PLBRG000062033, **Exhibit 45**.

- ii. Owner – Contractor Agreement of Absolute Protection Systems, Inc., dated July 2, 2015:
 - o For minimum insurance requirements, the certificate holder is BRG with AOI headquarters address.¹⁸⁷
- iii. Consultant Agreement of Peak Environmental LLC, dated December 7, 2015:
 - o For insurance requirements, the certificate holder is BRG c/o AOI with the AOI headquarters address.¹⁸⁸

VII. Results and Status of Forensic Financial Research

99. In addition to the financial analysis performed above and the review of certain other data, documents and information, I conducted various forensic financial research exercises to ascertain the wide-ranging portfolio of the Albanese Entities and the financial wherewithal of the Albanese Entities and the Albanese Cousins.

100. I first sought to identify the extent of the Albanese Cousins' real estate development empire. Understanding what properties that the Albanese Entities and Albanese Cousins have developed, I then performed focused public records research in an effort to obtain assurances that the Albanese Entities and Albanese Cousins provided to local redevelopment and government agencies similar to the one that AOI provided to the Harrison Redevelopment Agency. Lastly, I conducted additional public records research to model the Albanese Entities' and/or Albanese Cousins' ownership interests in the Solaire, a project that the Albanese Entities highlighted in a construction financing request for BRG.

A. Research Extent of Albanese Entities Portfolio

101. I identified 54 *active* business entities linked to Russell Albanese, Christopher Albanese and the Albanese Entities during my preliminary investigative research, which are attached to this report as **Schedule 6**. This research was performed using open-source, government and commercial database resources, including public records websites maintained by the State of New York, and is not to be considered comprehensive.

102. The Albanese business entities were identified using searches and reverse-searches based on current residential and commercial addresses for the Albanese Cousins and the principal address for the Albanese Organization.

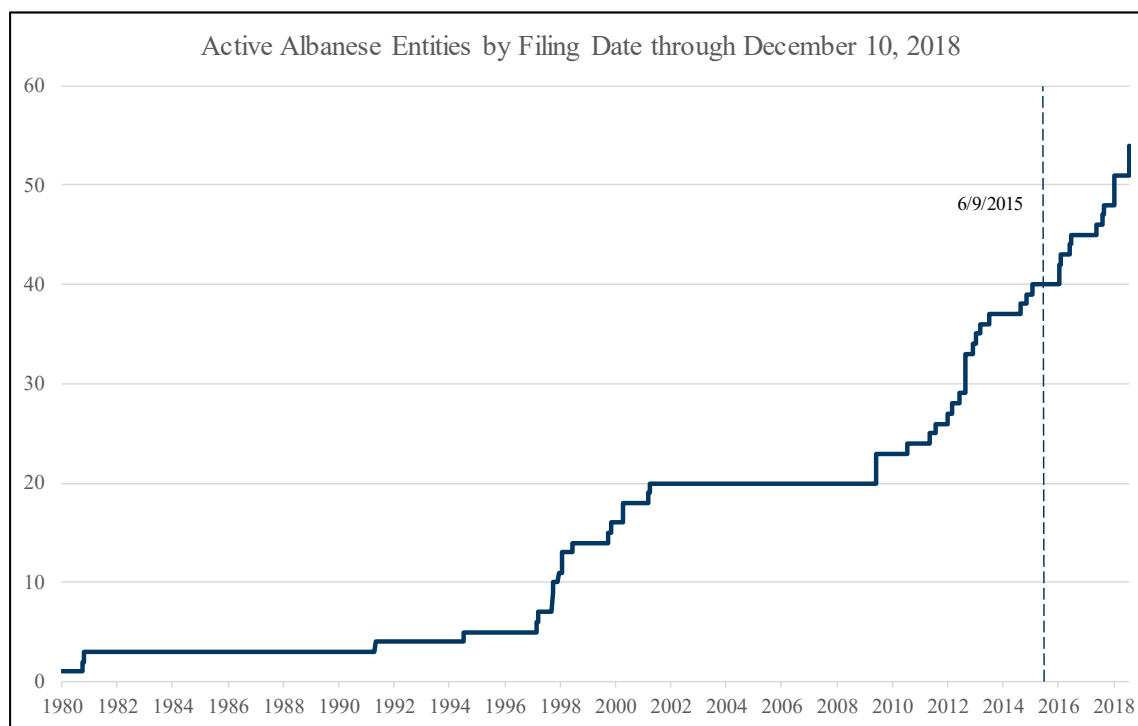
¹⁸⁷ PLBRG000062321, **Exhibit 46**; PLBRG000062325, **Exhibit 46**.

¹⁸⁸ PLBRG000062419 – 420, **Exhibit 48**.

103. Additional searches were performed for Universal Commercial Code filings naming the Albanese Cousins, Albanese Organization and the identified Albanese Entities. The Albanese Entities and Albanese Cousins may have interests in additional entities that could be identified through expanded online investigative research and through review and analysis of public records, including property records, litigation review, and documents responsive to FOIA requests.¹⁸⁹

104. Of the 54 active business entities, 14 have been filed with the NYS Department of State since the Albanese Entities were admitted to BRG in June 2015. While AOI represented that the Albanese Cousins had liquidity of \$20 million and net worth of \$50 million at May 7, 2015, these additional 14 entities provide a further indication that the Albanese Cousins' assets and net worth have likely grown in the last three and a half years.

105. The chart below demonstrates the filing dates of the 54 active business entities, reflects the expansion of Albanese Entities over time, and underscores the spate of recent activity of the Albanese Entities and Albanese Cousins.



¹⁸⁹ Of note, I identified three additional entities in a limited search of property records, yet these entities did not return from searches of commercial databases. For the purposes of my analysis, these three entities have been excluded from the 54 active businesses identified in **Schedule 6**.

B. Public Records Research of the Albanese Entities

106. In a construction financing request that Albanese Entities compiled in an attempt to secure funding for BRG, the Albanese Entities highlighted the development experience of the Albanese Cousins as well as select project experience for Albanese Entities. Among the projects highlighted was Wyandanch Village, “a 40-acre, \$500 million sustainable, mixed income, transit oriented community.”¹⁹⁰ AOI is the Master Developer of Wyandanch Village.¹⁹¹

107. Similar to the Albanese Entities’ and the Albanese Cousins’ efforts to be admitted into BRG, I presume that the Albanese Entities and Albanese Cousins may have provided a similar letter of assurance to redevelopment and government agencies, as Wyandanch Village is a public-private project.

108. In December 2018, FTI filed five public information requests with New York government agencies seeking financial records provided by Albanese Entities or the Albanese Cousins related to the ongoing Wyandanch Village project in Wyandanch, New York. Officials at two state agencies – the Department of New York State Homes and Community Renewal and the New York Department of State – continue to process the records request.

109. Officials at three other New York state agencies indicated they possess no records responsive to these requests. Those agencies are the Empire State Development Corporation, the New York State Environmental Facilities Corporation and the New York State Department of Transportation.

C. Modeling Albanese Entities’ Equity Stake in Manhattan Property

110. I sought to establish a dollar-value estimate for a real estate asset controlled by the Albanese Entities or its principals, and I focused on the Solaire apartment building in Lower Manhattan’s Battery Park City. This approach can potentially be used to establish rough valuations and equity holdings for the Albanese Entities or the Albanese Cousins in other commercial properties.

111. The Solaire is an Albanese-controlled apartment building located at 20 River Terrace in Lower Manhattan. Property records show the building is owned by River Terrace Associates,

¹⁹⁰ PLBRG000060114, **Exhibit 47**.

¹⁹¹ PLBRG000060114, **Exhibit 47**.

LLC. The limited liability company was formed on August 23, 2000 by Vincent Albanese, according to New York corporate records.

112. River Terrace Associates, LLC, has two members, according to property records and regulatory filings. They are Albanese BPC, LLC, and the Northwestern Mutual Life Insurance Company ("Northwestern Mutual"). An October 2002 regulatory agreement between River Terrace Associates, LLC, and the New York State Housing and Finance Agency identified Albanese BPC, LLC, and Northwestern Mutual as the sole members of the company that owns the Solaire.
113. The percentage ownership of either entity is not made clear in corporate papers but financing records for the property show Albanese family members individually and through companies controlled by Albanese family members were limited to no more than 50-percent ownership of River Terrace Associates, LLC, under terms of government-backed financing used to build the Solaire building in the early 2000s. Financial disclosures made by Northwestern Mutual in 2016 indicate the insurance company's stake in the Solaire property is 66.67% of the Battery Park City property.
114. New York property records show River Terrace Associates, LLC obtained a 30-year, \$116.5 million mortgage on the Solaire property on May 27, 2004. That mortgage was provided by the New York State Housing and Finance Agency and funded through bond sales. The Solaire mortgage was later assigned to Fannie Mae and Wachovia Bank. It remains outstanding. No release was identified for this mortgage.
115. Available property records do not provide details about the interest rate on the outstanding Solaire mortgage. According to data published by the St. Louis Federal Reserve Bank, the weighted-average effective loan rate for all commercial and industry loans from all commercial banks was 2.99% for Q2 2004 at the time the Solaire mortgage was obtained. For all 2004, these interest rates ranged from 2.99% to 4.08%.
116. The New York City Department of Finance establishes fair-market values for city real estate, which are then used to determine property taxes. The current value of the Solaire property, according to New York City records, is \$128.2 million. The property is still subject to the remaining balance of the 2004 mortgage.

117. Based on an amortization schedule using interest rates of 2.99%, 4.08%, and a conservative 8.00%, the outstanding principal on the mortgage at May 27, 2018 ranges from \$74.8 million to \$92.4 million. Based on the assumption that the Albanese Entities' or Albanese Cousins' ownership interest in Solaire at 33.33%, at May 2018, the estimated equity in Solaire ranged from \$11.9 million to \$17.8 million, as reflected in the table below.

Table 5 Albanese Cousins' or Albanese Entities' Equity in Solaire Property as of May 2018 [1]			
	Interest Rate		
	2.99%	4.08%	8.00%
Equity	\$ 17,803,764	\$ 16,368,644	\$ 11,924,753
Notes/Sources: [1] Per New York City Department of Finance records, the market value of the Solaire Property is \$128,200,000 as of May 25, 2018. Utilizing amortization schedules created from assumptions of three different interest rates, I subtracted the outstanding principal (See Schedules 7.1, 7.2, and 7.3) from the market value, and then multiplied by 33.33%, the Albanese Cousins' apparent interest in the property.			

VIII. Review of Ability to Pay of Albanese Cousins

118. BRG's financial resources are not restricted solely to the standalone, single-purpose entity. In his communication to the Harrison Redevelopment Agency, James Polcari, AOI's CFO, highlighted that the Albanese Cousins have always met their financial obligations. To reinforce this assurance, James Polcari quantified the liquidity and net worth of the Albanese Cousins.
119. After the admittance of Albanese Entities into BRG, BRG has become economically dependent on the Albanese Entities and the Albanese Cousins.
120. Inasmuch as BRG is liable for EPA response and remediation costs then the Albanese Cousins, as represented by James Polcari, have the resources and financial wherewithal to cover substantial response costs and possibly the entirety of these contingent liabilities.
121. Not only did James Polcari present this information to the Harrison Redevelopment Agency, but in granting the Albanese Entities admittance to BRG, the Harrison Redevelopment Agency cited this representation and assurance that the Albanese Cousins have sufficient liquid

assets to ensure the development of a defunct property. Beyond liquid assets, the Albanese Cousins' net worth represents not just their ability to pay for contingent environmental liabilities but also their ability to borrow. I understand that the Operating Agreement required the Albanese Entities and the Albanese Cousins to provide guaranties as necessary to secure funding for the project, inclusive of environmental guaranties.

122. As noted above, I restated BRG's financials to account for the top-end of the range of estimated potential response costs of \$20 million, and I concluded that these environmental liabilities may render BRG insolvent. By the same token, if I further restate BRG's financial statements for the liquidity that the Albanese Cousins represented as having at May 7, 2017, BRG's solvency would be restored, even when accounting for these contingent environmental liabilities. Moreover, recognizing an additional \$20 million of liquid assets for BRG is still a conservative adjustment, as the Albanese Cousins were assured to have \$50 million of net worth, against which they would have substantial borrowing capabilities beyond \$20 million. These sums more than cover what I understand to be the range of contingent environmental liabilities.

123. Therefore, when restating BRG's balance sheet once again for the liquid assets of the Albanese Cousins (and even without restating for borrowing capabilities), BRG's insolvency is cured and ability to pay is restored for the probable and reasonably estimable remediation and clean-up costs.

<p align="center">Table 6 Balance Sheet of BRG at December 31, 2016</p>						
Description	Actual [1]	Restatement with Response Cost Liabilities	As Restated [2]	Restatement with Response Cost Liabilities and Liquid Assets	As Restated [3]	
Total Assets	\$ 12,816,075	\$ -	\$ 12,816,075	\$ 20,000,000	\$ 32,816,075	
Total Liabilities	\$ 420,659	\$ 20,000,000	\$ 20,420,659	\$ -	\$ 20,420,659	
Total Member's Capital	12,395,417	(20,000,000)	(7,604,583)	20,000,000	12,395,417	
Total Liabilities & Equity	\$ 12,816,076	\$ -	\$ 12,816,076	\$ 20,000,000	\$ 32,816,076	
<p><u>Notes/Sources:</u> [1] PLBRG000058634 - 58638 at 635, Exhibit 5. [2] Restates balance sheet for \$20 million in Response Cost Liabilities. [3] Restates balance sheet for Additional Capital of \$20 million contributed by Albanese Cousins.</p>						

124. Therefore, as restated, and taking into account the Albanese Entities and Cousins resources and liquid assets, which they assured the Harrison Redevelopment Agency were available to meet project needs, including remediation at the site, BRG has sufficient capital and funds and is able to pay response costs for the Vo-Toys Site.

IX. Additional Areas of Inquiry

125. The documents which were provided to me and which I reviewed provide a reasonable basis to conclude that BRG is economically dependent on the Albanese Entities and the Albanese Cousins. Considering the liquid assets of the Albanese Cousins restores BRG's solvency and ability to pay response and remediation costs.

126. While I have relied on representations of the Albanese Cousins' liquidity and net worth, the following information and questions would shed additional light on BRG's ability to pay and its economic dependence on the Albanese Entities and Albanese Cousins.

- i. What analysis have AOI and BRG conducted to determine that BRG has a limited ability to pay response costs?
- ii. What corroborative documents did AOI rely on when providing assurances to the Harrison Redevelopment Agency that the Albanese Cousins collectively have liquidity of \$20 million and net worth of \$50 million?
- iii. What is the current net worth and liquidity of the Albanese Cousins?
- iv. What additional capital contributions have the Albanese Entities made to BRG that have not been considered in this report?
- v. What guaranties have the Albanese Cousins provided in real estate development projects to secure financing?
- vi. What assurances have the Albanese Cousins provided in real estate development projects to gain admittance into those projects?
- vii. What are the liquid assets and net worth of ADC and AOI? Examples of documents that may aid in determining these figures include the following:

- o Current copies of bank statements or all Albanese Entities and all accounts:
- o General ledger detail of all consolidated Albanese Entries;
- o For all Albanese Entities, inclusive of ADC and AOI, consolidated financial statements for the past three years, including balance sheets, income statements, and statements of cash flow; and
- o Terms of revolving lines of credit and other loans and repayment schedules.

X. Conclusions

127. Notwithstanding the certain additional documents that would allow me to perform additional analysis on BRG's ability to pay and that of the Albanese Entities and Albanese Cousins, I have observed the following based on my review of the documents provided to me to date:

- i. Among the purposes of the BRG joint venture is to **remediate**, redevelop, renovate, improve, **own, operate, manage**, hold for investment, exchange, subdivide, encumber, maintain, finance, lease, market and/or sell the Property as improved **and to engage in all activities reasonably necessary for, or incidental to**, the acquisition, **remediation, redevelopment, renovation**, improvement, **ownership, operation, management**, holding for investment, exchanging, subdividing, encumbering, maintaining, financing, leasing, marketing, sale and other use of the Property.
- ii. Based upon my understanding of the BRG Operating Agreement, the Albanese Entities are financially responsible for additional capital contributions to BRG for environmental guaranties (apportioned and based upon the Additional Contribution Ratio at 66.67% to the Albanese Entities).
- iii. Based upon my understanding of the BRG Operating Agreement, the Albanese Entities are financially responsible to meet "expenses reasonably necessary in order to cause the Property to comply in all material respects with applicable laws (including, without limitation, amounts needed to pay any fines and penalties imposed by any governmental authority)."

- iv. As stated in Section 2.8(n) of the BRG Operating Agreement, the Albanese Entities confirmed that “[e]ach Member has the liquidity and financial capability to make the Capital Contributions and Preferred Capital Loans for which such member is responsible pursuant to the terms of this Agreement, including without limitation, the Initial Capital Contributions specified in Exhibit B to the Operating Agreement.”
- v. The Albanese Entities and Albanese Cousins have grossly undercapitalized BRG, such that alone, it cannot meet its financial obligations.
- vi. If BRG, as currently undercapitalized, is equitably insolvent, then its ability to pay response costs as they become due is attributable to the Albanese Entities and Albanese Cousins.
- vii. If BRG does not have funds (including those for remediating the Site) to meet obligations, it is because of the actions of the dominant shareholders – Albanese – in siphoning funds away from BRG, thus rendering it insolvent.
- viii. There are numerous instances where the Albanese Entities have dominated, controlled and exerted their influence over BRG to their economic benefit and to BRG’s detriment.
- ix. Multiple transactions demonstrate that the Albanese Entities and Albanese Cousins have siphoned funds from BRG, thus further rendering it less able to meet financial obligations.
- x. BRG is economically dependent on the Albanese Entities.
- xi. For the year ended December 31, 2016, BRG generated limited net income and cash on hand; had accounts payable in excess of \$420,000; while it had assets of \$12.8 million that were primarily reported as Land and Development Costs related to the Site. Nonetheless, a review of BRG’s seeming ability to pay as a standalone entity does not accurately reflect the resources and financial wherewithal of its related parties that share obligations for response costs at the Site. That is, looking through BRG to the Albanese Cousins and Albanese Entities, which I understand are obligated for BRG costs, provides a more comprehensive and complete picture of BRG’s ability to pay.

- xii. AOI represented and assured the Harrison Redevelopment Agency that the Albanese Entities, Christopher Albanese and Russell Albanese have the ability to meet financial obligations, and financial means to complete BRG's development of the Site project, including funds to meet remediation costs. Further, AOI represented that they "have always met their financial obligations" and have "a combined personal net worth in excess of 50 million dollars and liquidity in excess of 20 million dollars."
- xiii. Based on my analysis it appears that BRG's financial means and wherewithal are substantial given the entity's direct connection with the Albanese Entities and Albanese Cousins.

Respectfully submitted,



Gary Kleinrichert, CPA/ABV/CFF/CGMA, CVA

FTI Consulting, Inc.
227 W. Monroe St., Ste 900
Chicago, IL 60606

February 14, 2019

EXHIBIT INDEX

Exhibit	Description	Bates No.
1.	EPA General Notice Letter to BRG Harrison Lofts Urban Renewal LLC ("BRG GNL"), dated July 25, 2018.	N/A
2.	EPA General Notice Letter to General Electric Company ("GE GNL"), dated July 25, 2018 .	N/A
3.	GE's response to EPA's General Notice Letter ("GE Response to GNL"), dated August 27, 2018.	N/A
4.	BRG Response to Notice to Potential Liability and Request to Enter Administrative Settlement Agreement Negotiations for the Vo-Toys Superfund Site, Harrison, New Jersey, dated August 14, 2018 ("BRG Response to GNL").	N/A
5.	BRG's financial statement for year ended December 31, 2016.	PLBRG 58634 – PLBRG 58638
6.	GE's Amended Answer, <i>BRG Harrison Lofts Urban Renewal LLC v. General Electric Company, et al.</i> , No. 2:16-cv-06577 (D.N.J.), dated June 23, 2017.	N/A
7.	Plaintiff's Objections and Responses to Defendant General Electric Company's First Set of Interrogatories, <i>BRG Harrison Lofts Urban Renewal LLC v. General Electric Company, et al.</i> , No. 2:16-cv-06577 (D.N.J.), dated July 19, 2017.	N/A
8.	Amended and Restated Operating Agreement of BRG Harrison Lofts Urban Renewal, LLC, dated June 8, 2015.	PLBRG 98870 – PLBRG 98967
9.	Albanese Entities letter memorandum to BRG regarding proposed joint venture terms, dated January 22, 2015.	PLBRG 61809 – PLBRG 61828
10.	Letter from James Polcari, CFO of AOI, to Harrison Redevelopment Agency, dated May 7, 2015.	PLBRG 58708
11.	Resolution Authorizing and Approving the Albanese Organization as a Member of BRG Harrison Lofts Urban Renewal, LLC, dated June 15, 2015.	PLBRG 81376
12.	Contribution Summary and Closing Statement Summary, dated June 8, 2015.	PLBRG 59607
13.	BRG's Amended Complaint, <i>BRG Harrison Lofts Urban Renewal LLC v. General Electric Company, et al.</i> , No. 2:16-cv-06577 (D.N.J.), dated November 17, 2016.	N/A
14.	BRG's general ledger for calendar year 2015.	PLBRG 58592 – PLBRG 58624

Exhibit	Description	Bates No.
15.	Marty McGowan email to Jack Becker, dated January 26, 2016.	PLBRG 253928 – PLBRG 253929
16.	BRG's general ledger for calendar year 2016.	PLBRG 174031 – PLBRG 174069
17.	Spreadsheet documenting capital accounts of BRG members, dated June 1, 2017.	PLBRG 83780
18.	Tom Berkenkamp email to Racquel Brown confirming capital call regarding mercury funding agreement, dated May 15, 2017.	PLBRG 213398 – PLBRG 213399
19.	Summary of Personnel Time from Albanese Development Corporation for July 1, 2015 through January 31, 2017, dated April 28, 2017.	PLBRG 251026 – PLBRG 251032
20.	Summary of Personnel Time from Albanese Development Corporation for July 1, 2015 through December 30, 2016, dated January 16, 2017.	PLBRG 250534
21.	Specialty Consultants, Inc. invoice to AOI, dated May 22, 2015.	PLBRG 205936 – PLBRG 205938
22.	Jack Becker email to Tom Berkenkamp and Mark Schaevitz regarding plans to hire a Project Manager, dated September 10, 2015.	PLBRG 203207 – PLBRG 203208
23.	AOI employment offer letter to Jim Wansor, dated September 11, 2015.	PLBRG 245954 – PLBRG 245957
24.	BRG approval of payment of balance of retainer to Specialty Consultants, Inc., dated December 3, 2015.	PLBRG 205939 – PLBRG 205940
25.	Mercury Funding Agreement, dated May 3, 2017.	PLBRG 174931 – PLBRG 174943
26.	Tom Berkenkamp email to Chris Albanese confirming ADC's \$375,000 payment, dated May 22, 2017.	PLBRG 213465 – PLBRG 213466
27.	Tom Berkenkamp email to Scott Angel regarding unauthorized check payable to ADC, dated July 13, 2015.	PLBRG 230397 – PLBRG 230399
28.	RD Jones Interior Design Agreement, dated September 21, 2015.	PLBRG 158899 – PLBRG 158928
29.	Philip E. Hunrath, CPA letter to Scott B. Angel and James F. Polcari regarding accounting and tax services, dated October 22, 2015.	PLBRG 94732
30.	Russel Albanese email to Tom Berkenkamp regarding the former Vo-Toys property, dated August 8, 2016.	PLBRG 171357 – PLBRG 171360

Exhibit	Description	Bates No.
31.	IRL Systems, Inc. proposed Installation Agreement, dated May 29, 2015.	PLBRG 264136 – PLBRG 264138
32.	Alliant Insurance Services Property & Liability proposal, dated June 4, 2015.	PLBRG 150658 – PLBRG 150668
33.	J&J Aquatics proposed consultant agreement with BRG, dated August 6, 2015.	PLBRG 171164 – PLBRG 171190
34.	AOI's Summary of Fees from Albanese Development Corporation to BRG, dated November 23, 2015.	PLBRG 246570 – PLBRG 246575
35.	Emails between Michael Ritz, Tom Berkenkamp and Mark Schaevitz regarding outstanding BRG contracts and letter agreements, dated February 10, 2015.	PLBRG 217450 – PLBRG 217451
36.	ADC Schedule of Due Diligence Items, dated October 27, 2015.	PLBRG 59407
37.	Concord Group Proposal-Agreement, dated February 6, 2015.	PLBRG 158567 – PLBRG 158574
38.	Site Remediation Group, LLC's mercury field screening, dated January 26, 2016.	PLBRG 94044 – PLBRG 94054
39.	Force Services Invoice, dated January 31, 2016.	PLBRG 211639 – PLBRG 211642
40.	Sky Electric, LLC proposed Subcontract Agreement, dated September 8, 2015.	PLBRG 62609 – PLBRG 62635
41.	Anchor QEA, LLC Environmental Services Agreement, dated February 26, 2016.	PLBRG 66537 – PLBRG 66567
42.	Gradco, LLC d/b/a Gradient Environmental Services agreement, dated March 11, 2016.	PLBRG 209775 - PLBRG 209796
43.	Form 1065 filed for AHL c/o AOI for year ended December 31, 2015.	PLBRG 295395 – PLBRG 295429
44.	Form 1065 filed for AHL c/o AOI for year ended December 31, 2016.	PLBRG 295803 – PLBRG 295841
45.	Consultant Agreement of Grumman/Butkus Associates, dated August 6, 2015.	PLBRG 62007 – PLBRG 62038
46.	Absolute Protection Systems, Inc. Contractor Agreement, dated July 2, 2015.	PLBRG 62308 – PLBRG 62327

Exhibit	Description	Bates No.
47.	AOI Construction Financing Request.	PLBRG 60100 – PLBRG 60146
48.	Peak Environmental Consultant Agreement, dated December 7, 2015.	PLBRG 62411 – PLBRG 62439
49.	Force Services, LLC Subcontract Agreement, dated August 13, 2015.	PLBRG 62560 - PLBRG 62585
50.	Spreadsheet entry of equity contributions, dated December 31, 2016.	PLBRG 58717

Appendix A



Gary G. Kleinrichert, CPA/ABV/CFF/CGMA, CVA

Senior Managing Director — Co-Leader, US Forensic Accounting & Advisory Services

gary.kleinrichert@fticonsulting.com

FTI Consulting

227 West Monroe

Suite 900

Chicago, IL 60606

Tel: (312) 252-9316

Education

B.A., Accounting &
Computer Science, St.
Joseph's College

Certifications

Certified Public
Accountant

AICPA National Fraud
Task Force – former
member

Accredited in Business
Valuation (ABV),
Chartered Global
Management Accountant
(CGMA), and Certified in
Financial Forensics
(CFF) by the AICPA
Certified Valuation
Analyst (CVA) by the
NACVA

Professional Affiliations

American Institute of
Certified Public
Accountants

Illinois CPA Society

Association of Certified
Fraud Examiners

National Association of
Certified Valuation
Analysts

Better Government
Association, Board of
Directors (Former) and
Life Trustee

Stanley K. Lacy
Ex. Leadership Series

Gary Kleinrichert is a Senior Managing Director and Co-Leader of FTI's US Forensic Accounting and Advisory Services Practice and is a nationally recognized forensic accountant and accounting expert witness. Mr. Kleinrichert has led high profile forensic accounting investigations in many regions of the world including North America, South America, India, Asia, and Europe. Mr. Kleinrichert has provided expert testimony on over 50 occasions at trial, arbitration and deposition. Mr. Kleinrichert has performed significant work in both criminal and civil matters, testified throughout the United States in federal and state courts (bench and jury), served the court as a special master, and has served as an arbitrator.

Mr. Kleinrichert has testified on a wide variety of matters including economic damage issues (including lost profits, diminution in value, royalties, extra and incurred costs, benefit of the bargain), valuation of businesses and business interests, financial and accounting topics, matters related to forensic accounting investigations, allegations of fraud and related damages, alter ego/corporate control, solvency, ability to pay, fraudulent transfers, and financial reporting. Mr. Kleinrichert has a degree in both accounting and computer science and thus his education and background make him well-suited for large matters with significant data retrieval and analysis elements.

He has significant experience in a variety of industries including telecommunications, utilities, insurance, financial services (mortgage / banking / brokerage / finance companies), pharma, automotive, manufacturing, high-tech, distribution/transportation/logistics, consumer products, and others. Mr. Kleinrichert has also worked on several matters on behalf of the U.S. Dept. of Justice.

The early part of his career was devoted to directing and performing financial audits of private and publicly held companies, as well as non-profits and governmental bodies. Mr. Kleinrichert is a Certified Public Accountant, Accredited in Business Valuation, Certified Valuation Analyst, Chartered Global Management Accountant (cost accounting), and is Certified in Financial Forensics.

Mr. Kleinrichert is a former member of the AICPA National Fraud Task Force and has been included in the *Who's Who Legal* listing as one of the top forensic accountants and accounting expert witnesses in the world.

Mr. Kleinrichert has extensive experience testifying and consulting on matters involving disputes related to mergers & acquisitions including working capital disputes, indemnification claims, failed mergers, and allegations of fraud related to business transactions pursuant to asset and stock purchase agreements. He has also served as an arbitrator in matters involving these types of disputes.

He has extensive experience in many accounting areas including revenue recognition, inventories, cost allocations, receivables, contingencies, leasing, accruals, deferred costs, derivatives, guarantees, consolidations, disclosures, pensions, and others.



FTI
CONSULTING

CRITICAL THINKING
AT THE CRITICAL TIME™

Professional Experience

Litigation Advisory Experience

- Testified at trial (federal and state, bench and jury), arbitration and deposition in jurisdictions across the U.S. Also served the court as a Special Master and has served as an Accounting Arbitrator.
- Significant experience valuing businesses, business interests, securities, and certain intellectual property assets. Mr. Kleinrichert has extensive testimony experience related to valuation opinions and has testified in Delaware Chancery Court.
- Damages cases have involved many types of business disputes, including large breach of contract matters, valuation disputes, construction claims, trade secrets, shareholder disputes, software and outsourcing failures, copyright, trade secrets, non-solicitations/non-competes, fraud, torts, mass torts and class actions, environmental, professional malpractice, dealer and franchise disputes, product liability matters, bad faith claims, alter ego and other types of business disputes.
- Led numerous engagements involving disputes related to the appropriate application of generally accepted accounting principles, generally accepted auditing standards and conducted numerous fraud and forensic investigations. Leader of the forensic accounting aspect of the team engaged on behalf of special committee investigating high profile \$1 billion restatement of publicly traded company (investigative findings and independent report was accepted in entirety by SEC and other federal regulators). Significant experience with numerous accounting areas including revenue recognition, capitalized costs, inventories, cost allocations, receivables, taxes, contingencies, impairments, consolidations/joint ventures, disclosures, leases, software licenses, derivatives, hedging, and others.
- Led and supervised numerous engagements related to creation and reconstruction of accounting and financial records for purposes of performing financial and forensic analyses. Led numerous engagements involving disputes related to the appropriate application of generally accepted accounting principles, generally accepted auditing standards; conducted numerous fraud and forensic investigations.
- Post-acquisition business disputes have included earn-out claims, misrepresentations of representations and warranties, fraud, and working capital matters. In addition, has conducted preference, solvency and fraudulent conveyance analyses.
- Many cases have involved organization and review of large document productions and coordination with other experts and large legal teams.

Testimony Experience *(matters for last ten years and represented party in italics)*

- *SSI Services, LLC, et al. v. Frederick C. Treadway*; Deposition Testimony.
- *GATX Corporation v. Associated Energy Services, LP and Spark Energy Ventures, LLC*; Deposition Testimony.
- *Another Planet Entertainment LLC, Gass Entertainment LLC, Another Planet Touring LLC, and BGCA Management LLC v. Robert M. Piccinini Trust* utd March 18, 2002 and Louis J. Giraudo, and Does 1 – 5; Deposition and Trial Testimony.

- Donna J. Dellen v. *John W. Boyd and Barnes & Thornburg LLP*; Deposition Testimony.
- Zayo Group, LLC v. *Latisys Holdings, LLC*; Trial and Deposition Testimony.
- *Pabst Brewing Company, LLC*, and *Blue Ribbon Intermediate Holdings, LLC*, v. MillerCoors LLC; Deposition Testimony.
- Asum Chughtai, MD, A.J. Pampalon, DO, Bryan Waldo, MD, Steven Mischel, DO, Marisla Varela, MD, David Ashbach, MD, and Kristoph Giricz, MD v. *Barnes & Thornburg, LLP and Laura Seng*; Deposition Testimony.
- *FitzMark, Inc.* v. Greg Humrichouser, Parminder Singh, and Direct Connect Logistix, Inc.; Deposition Testimony.
- Appvion, Inc. and NCR Corporation v. *P. H. Glatfelter Co., Menasha Corp., City of Appleton, Neenah-Menasha Sewerage Commission, WTM I Company, U.S. Paper Mills Corp., and Georgia-Pacific Consumer Products LP, Georgia-Pacific LLC, Fort James Operating Company, Fort James Corporation*; Deposition Testimony.
- William R. Mink, et al., v. *Wyeth, Inc. and Wyeth Pharmaceuticals, Inc.*; Deposition Testimony.
- *Global Fleet Sales, LLC; R.M. Asia (HK) Limited; RMA Middle East FZE; RMA Automotive Co., Ltd.; and Kevin Robert Whitcraft* vs. Leonard James Delunas and Mohammad Dawoud (a/k/a “David”) Wahab; Deposition Testimony.
- SDI, Inc., et al., v. *Platinum Equity, LLC*, et al; Deposition Testimony.
- Tetra Technologies, Inc. v. *Veolia Water Technologies (successor by merger to HPD, LLC)*; Deposition and Arbitration Testimony.
- *Craftsman Chemical Corp.* v. Industrial Coatings, Inc.; Deposition Testimony.
- Kmart v. *Dow Roofing Systems*; Arbitration Testimony.
- The Patriot Group, LLC, v. Hilco Financial, LLC, n/d/a 1310 Financial, LLC; *Hilco Trading, LLC; Hilco Appraisal Services, LLC; Hilco Enterprise Valuation Services, LLC*; and Hilco, Inc; Deposition Testimony.
- *KRG New Hill Place, LLC, and Kite Realty New Hill Place, LLC.* v. Springs Investors, LLC, B. Kyle Ward, Michael L Hunter, and Stephen C. Ward; Deposition Testimony.
- Sites, LLC, v. *The University of Notre Dame du Lac*; Deposition Testimony.
- Biomet Heartland Orthopedics, Inc. v. *Biomet Orthopedics, Inc.*; Deposition Testimony.
- Jo Ann Howard and Associates, P.C., Special Deputy Receiver of Lincoln Memorial Life Insurance Company, et al, v. J. Douglas Cassity; Randall K. Sutton; Brent D. Cassity; J. Tyler Cassity; Rhonda L. Cassity; Katherine P. Scannell; Randall J. Singer; Howard A. Wittner, individually and as Trustee of the RBT Trust II; Wittner, Spewak & Maylack, P.C. f/k/a Wittner, Poger, Spewak, Maylack & Spooner, P.C.; David R. Wulf; Wulf, Bates & Murphy, Inc.; Michael R. Butler; Lennie J. Cappleman; James M. Crawford; Tony B. Lumpkin, III; Nekol Province; Roxanne J. Schnieders; George Wise, III; Marianne Jones, Anne Chrun; National Heritage Enterprises, Inc.; Forever Enterprises, Inc. f/k/a Lincoln Heritage Corporation; Lincoln Memorial Services, Inc.; Rhonda L. Cassity, Inc. a/k/a Wellstream, Inc., f/k/a R.L. Cassity, Inc. and Trans-American Facilities, Inc.; Forever



Network, Inc. f/k/a Forever Enterprises, Inc., Cassity Enterprises, Inc., and Cassity Heritage Funeral Homes, Inc.; Forever Illinois, Inc.; Hollywood Forever, Inc.; Texas Forever, Inc. d/b/a Forever All Faiths; National Prearranged Services Agency, Inc.; Legacy International Imports, Inc. d/b/a Triad; Wise, Mitchell & Associates, Ltd.; Brentwood Heritage Properties, LLC; Bremen Bank and Trust Company; National City Bank; *Marshall & Ilsley Trust Company, N.A.*; *Southwest Bank an M&I Bank*; U.S. Bank, N.A.; Bank of America, N.A.; American Stock Transfer and Trust Company; Comerica Bank and Trust, N.A.; Brown Smith Wallace, L.L.C.; PNC Bank, N.A.; *BMO Harris Bank, N.A.*; Richard Markow; Herbert Morisse; and John Does 1- 25; Deposition Testimony.

- United States Commodity Futures Trading Commission v. *U.S. Bank, N.A* (re Peregrine Financial).; Deposition Testimony.
- Volvo Trucks North America, a division of Volvo Group North America, LLC, v. *Andy Mohr Truck Center and, Andrew F. Mohr*; Deposition and Trial Testimony.
- Monique Desoto v. *ITT Educational Service*; Linda Desoto v. *ITT Educational Services*; and Jeremy Clark v. *ITT Educational Services*; Deposition Testimony and Hearing Testimony.
- Workhorse Custom Chassis, LLC v. *Robert Bosch LLC*; Deposition Testimony.
- *Ameren Inc.* v. Town of O'Fallen, Illinois; *Ameren Inc.* v. Town of Peoria, Illinois; Hearing Testimony.
- United States of America and the State of Wisconsin v. NCR Corporation, Appleton Papers Inc., Brown County, City of Appleton, City of Green Bay, *CBC Coating, Inc.*, Georgia-Pacific Consumer Products LP, Kimberly-Clark Corporation, *Menasha Corp.*, *Neenah-Menasha Sewerage Commission*, *Newpage Wisconsin Systems, Inc.*, *P.H. Glatfelter Co.*, *U.S. Paper Mills Corp.*, and *WTM I Company*; Deposition and Trial Testimony.
- *Snowstorm Acquisition Corporation* v. Tecumseh Products Company, AlixPartners, LLP, AP Services, LLC and James Bonsall; Deposition Testimony.
- *Meridian Rail Products Corp.* v. Town of Cicero, Illinois, Deposition Testimony.
- Casey Williams Hyland, Graham Pullen, Christopher R. Burnette and Mystic Burnette v. *Home Services of America, Inc.*, *Home Services of Kentucky, Inc.*, Semonin Realtors, Rector-Hayden Realtors, RE/MAX International, Inc., RE/MAX Connections, Properties East, Inc., d/b/a RE/MAX Properties East, Century 21 Real Estate LCC (f/k/a Century 21 Real Estate Corporation), Cendant Corporation, Coldwell Banker Real Estate Corporation, Coldwell Banker McMahan, Alliance Real Estate Services, LLC, d/b/a RE/MAX Alliance, Suzy N. Watkins, d/b/a RE/MAX Alliance, Realtors 2000, Inc., and RE/MAX of Kentucky, Tennessee, Inc.; Deposition Testimony.
- *Bank of America, N.A., successor to LaSalle Bank, N.A.* v. Pethinaidu Veluchamy and Parameswari Veluchamy; Affidavits, Deposition Testimony, and Trial Testimony.



- *Meridian Rail Products Corp. v. Town of Cicero, Illinois*; Deposition Testimony.
- *Marsh Supermarkets, LLC v. Roche Diagnostics Operations, et al.*; Deposition and Trial Testimony.
- *Morrison International Construction, Inc. v. HITT*; Arbitration Testimony.
- *Sears Logistics v. Duke-Weeks Realty, et al.*; Deposition Testimony.
- *Rolls-Royce Corporation v. AvidAir Corporation*; Trial Testimony.
- *In Re: Lauth Investment Properties, LLC, et al., Bankruptcy Proceedings*; Deposition Testimony on behalf of *LIP Holdings LLC*.
- *Deutscher Tennis Bund (German Tennis Federation), Rothenbaum Sports GMBH and Qatar Tennis Federation v. ATP Tour, Inc., Etienne de Villiers, Charles Pasarell, Graham Pearce, Jacco Eltingh, Perry Rogers and Iggy Jovanovic*; Deposition and Trial Testimony.
- *Rolls-Royce Corporation v. H.E.R.O.S., Inc., et al*; Deposition Testimony.
- *KIK International LLC v. Satish Shah, The Satish Shah Revocable Trust, Amish Shah, Debra Ann Shah, Robert E. Theroux, Daniel L. Williams and Frederick H. Bachman*; Deposition Testimony and Arbitration Testimony.
- *Ferolie Corporation v. Advantage Sales & Marketing, LLC and Advantage Sales & Marketing Inc.*; Arbitration Testimony.
- *Limagrain Genetics Corporation, Inc. v. Bayer CropScience Inc. (as successor in interest to Rhone-Poulenc, Inc.)*; Arbitration Testimony.
- *Ecesis LLC and John Smith (Plaintiffs/Counterclaim Defendants) v. Hinshaw Roofing & Sheet Metal Co., Inc., Environmental Assurance Co., Inc., Jerry Brand, John Hatter, Bruce Morain, INOK Investments, LLC (Defendants/Counterclaimants) and LXP-SCE I, LLC (Intervenor Defendant) and Jerry Brand, John Hatter, Bruce Morain and INOK Investments, LLC (Third Party Plaintiffs) v. Apogean, LLC (Third Party Defendant) and LXP-SCE I, LLC (Intervenor Third Party Plaintiff) v. Apogean, LLC and Tricad, Inc. (Third Party Defendants)*; Deposition Testimony.
- *Sumco, Inc. v. Underwriters at Lloyd's, London, Lexington Insurance Company, Hartford Fire Insurance Company, Wurttembergische Versicherung AG*; Deposition Testimony.
- *Re Metris Securities Litigation*; Deposition Testimony.
- *Murray's Discount Auto Stores, Inc. v. USRP Texas, L.P., First American Bank*; Deposition Testimony.
- *Marla Reynolds, Plan Trustee, For the Estate of Unger & Associates, Inc., v. Steven Feldman, Melvin I. Feldman, Harvey Schrednik, David Kalicka, John Sullivan, Barry Schulman, Alan Goodman, Bruce F. Hambro, Stanley Winer, Myron D. Rowland and W. Robert Lawhorn*; Deposition Testimony.
- *Made2Manage, Inc. v. ADS Information Systems, Inc.*; Deposition Testimony.



- Carolyn G. Kochert, M.D. v. Greater Lafayette Health Services, Inc. *Anesthesiology Associates, P.C.* John Walling, *Kenneth Bochenek, M.D.*; Deposition Testimony.
- Peter R. Thomas v. *American Electric Power, Inc., American Electric Power Service Corporation, AEP Communications, Inc.*; Deposition Testimony

Employment History

FTI Consulting – Forensic & Litigation Services Practice (2003 to present).

Senior Managing Director – Co-Leader of US Forensic Accounting & Advisory Services. Focus on damages and valuations assessments in complex litigation matters, forensic / accounting investigations, and regulatory investigations. Held various leadership roles with FTI. Based in Chicago and Co-Leader of all Forensic Accounting & Advisory Services for the U.S.

KPMG LLP - Forensic Services Practice (2002 to 2003)

Partner. Focus on forensic / accounting investigations as well as damages and valuations assessments in complex litigation matters. In addition, performed risk assessments and forensic audit procedures on numerous large audit clients of KPMG. Responsible for coordination of all Forensic Services practice for Midwest region of US. Member of Dispute Advisory Services Practice which was sold by KPMG to FTI Consulting effective November 2003.

Arthur Andersen LLP - Value Solutions Practice (1999 to 2002).

Partner. Focus on damage assessment and forensic accounting/fraud investigation, business and intellectual property valuations. Later joined KPMG as part of transaction where a portion of the national forensic practice was sold by Andersen to KPMG.

PricewaterhouseCoopers LLP –

Financial Advisory Services (1994 - 1999)

Most recently as a **Partner**, focusing on damages assessment and forensic accounting/fraud investigation, business valuations, due diligence and other consulting related to mergers & acquisitions.

Accounting & Auditing Services (1985 to 1994)

Business advisor and auditor to public and private companies. Gary has experiences in a variety of industries including financial services (banking, mortgage banking, and broker-dealers), utilities, insurance, manufacturing, retail/distribution, sports-related businesses and leagues, high-tech, retail/distribution, government/not-for-profit organizations, and employee benefit plans. Responsibilities included managing engagements and reporting results to senior management, audit committee and/or board of directors for over 150 audits and reviews. Additionally, coordination with clients for other services provided to these including tax, human resource, and other consulting engagements. Although Mr. Kleinrichert transferred to the FAS practice in 1994, he continued to provide accounting and auditing services to certain major clients for several years.

Speeches, Seminars & Publications

- “How to Organize a Forensic Accounting Investigation”, White Paper published by the AICPA. Co-author.
- Illinois CPA Society – Fraud Conference, panel speaker.
- Law Bulletin – Annual White Collar Crime + Corporate Governance Conference, panel speaker.
- “IFRS Update,” speaker at AICPA National Fraud and Valuations Services Conference.
- “Even Litigators Go Green – Environmental Issues Affecting Business Litigation,” panel member at a seminar hosted by DTCL.
- “Investigations, Accounting Fraud, and Related Economic Damages,” co-presented at the SecuritesDocket.com webinar.
- “A New Frontier – Best Practices in Fraud Investigations,” co-presented at the SecuritesDocket.com webinar.
- “Corporate Compliance after Dodd-Frank: One Voice; How Many Masters?,” co-presented at the SecuritesDocket.com webinar.
- “Forensic Accounting, Electronic Discovery and other Investigative Techniques Pertaining to FCPA and Special Committee Investigations with an Emphasis on Legal, Privacy and Electronic Data Matters,” co-presented at the AICPA FVS Section national webinar.
- “Avoiding Surprises with Post-Acquisition Disputes,” presented at the Columbus (Ohio) Bar Association.
- “Calculating Economic Damages & the Admissibility of Expert Witness Testimony,” presented at the Indiana Continuing Legal Education Forum.
- “Using Your IP to Increase Shareholder Value,” presented at the Intellectual Property Seminar sponsored by the Indiana Chamber of Commerce.
- “The Last 20 Year of Patent and Trademark Damages: A Litigation Evolution,” presented at the Midwestern Intellectual Property Symposium (sponsored by the Indiana Continuing Legal Education Forum).
- “Calculating Damages in Complex Litigation,” presented at the Ohio Association of Civil Trial Attorneys Meeting.
- “Business Valuation Issues in Litigation,” presented at the Indiana Continuing Legal Education Forum.
- “Damage Analysis – determining lost revenues and Daubert considerations,” published in *The Indiana Lawyer*.
- “Mergers, acquisitions and divestitures – common issues in post-transaction disputes,” published in *The Indiana Lawyer*.
- “Board Governance Series,” quoted in *Corporate Board Member*, volume 12, 2008.

- Presenter at numerous recruiting events at colleges, universities, and numerous local and national training courses.

Schedule 1

Schedule 1

BRG's Consolidated 2015 General Ledger

#	Date	Description	Actual [1]			Revised		
			Debit	Credit	Balance	Debit	Credit	Balance
1	09/01/15	Beginning Balance	\$ 251,302.95		\$ 251,302.95	\$ 251,302.95		\$ 251,302.95
2	09/03/15	RECUR TRFS	150.00		251,452.95	150.00		251,452.95
3	09/03/15	CM Edit Register summary		(150.00)	251,302.95		(150.00)	251,302.95
4	09/03/15	Summary Entry		(4,500.00)	246,802.95		(4,500.00)	246,802.95
5	09/03/15	Summary Entry		(14,287.72)	232,515.23		(14,287.72)	232,515.23
6	09/03/15	Summary Entry		(2,230.95)	230,284.28		(2,230.95)	230,284.28
7	09/04/15	Summary Entry		(2,534.50)	227,749.78		(2,534.50)	227,749.78
8	09/04/15	(Rev)RE: Albanese Harrison Lf		494.50	228,244.28		494.50	228,244.28
9	09/04/15	(Rev)RE: Operating Agrmnt		2,040.00	230,284.28		2,040.00	230,284.28
10	09/09/15	BNK CHG	3.00		230,287.28	3.00		230,287.28
11	09/09/15	CM Edit Register summary		(3.00)	230,284.28		(3.00)	230,284.28
12	09/09/15	Summary Entry		(129.00)	230,155.28		(129.00)	230,155.28
13	09/11/15	Summary Entry		(23,655.53)	206,499.75		(23,655.53)	206,499.75
14	09/14/15	Summary Entry		(133,745.19)	72,754.56		(133,745.19)	72,754.56
15	09/16/15	CM Edit Register summary	1,166,667.00		1,239,421.56			72,754.56
16	09/16/15	CM Edit Register summary		(1,166,682.00)	72,739.56			72,754.56
17	09/16/15	TRFS FEE	15.00		72,754.56			72,754.56
18	09/16/15	Summary Entry		(292.30)	72,462.26		(292.30)	72,462.26
19	09/16/15	(Rev)973-497-2109 917 91Y		131.18	72,593.44		131.18	72,593.44
20	09/16/15	Summary Entry		(131.18)	72,462.26		(131.18)	72,462.26
21	09/16/15	(Rev)973-268-2365 900 10Y		161.12	72,623.38		161.12	72,623.38
22	09/16/15	Summary Entry		(161.12)	72,462.26		(161.12)	72,462.26
23	09/18/15	Summary Entry		(203,296.50)	(130,834.24)		(203,296.50)	(130,834.24)
24	09/18/15	(Rev)McGowan-Superior Appl		199,800.00	68,965.76		199,800.00	68,965.76
25	09/18/15	(Rev)Insurance		3,496.50	72,462.26		3,496.50	72,462.26
26	09/18/15	Summary Entry		(203,296.50)	(130,834.24)		(203,296.50)	(130,834.24)
27	09/21/15	Summary Entry		(400.00)	(131,234.24)		(400.00)	(131,234.24)
28	09/22/15	STOP PYMNT	31.00		(131,203.24)	31.00		(131,203.24)
29	09/22/15	CM Edit Register summary		(31.00)	(131,234.24)		(31.00)	(131,234.24)

Schedule 1

BRG's Consolidated 2015 General Ledger

#	Date	Description	Actual [1]			Revised		
			Debit	Credit	Balance	Debit	Credit	Balance
30	09/23/15	Summary Entry		(5,277.51)	(136,511.75)		(5,277.51)	(136,511.75)
31	09/23/15	(Rev)Fire Guard Service		768.26	(135,743.49)		768.26	(135,743.49)
32	09/23/15	(Rev)Overtime Hours		518.58	(135,224.91)		518.58	(135,224.91)
33	09/23/15	(Rev)Fire Guard Service		1,077.96	(134,146.95)		1,077.96	(134,146.95)
34	09/23/15	Summary Entry		(2,364.80)	(136,511.75)		(2,364.80)	(136,511.75)
35	09/23/15	(Rev)Exp 7/2-9/1/15		51.18	(136,460.57)		51.18	(136,460.57)
36	09/23/15	(Rev)Exp 7/2-9/1/15		8.29	(136,452.28)		8.29	(136,452.28)
37	09/23/15	Summary Entry		(59.47)	(136,511.75)		(59.47)	(136,511.75)
38	09/23/15	(Rev)Proposed Bldg Alteration		480.41	(136,031.34)		480.41	(136,031.34)
39	09/23/15	Summary Entry		(480.41)	(136,511.75)		(480.41)	(136,511.75)
40	09/23/15	(Rev)400-10/1-12/31/15		321.00	(136,190.75)		321.00	(136,190.75)
41	09/23/15	Summary Entry		(321.00)	(136,511.75)		(321.00)	(136,511.75)
42	09/23/15	(Rev)400-10/1-12/31/15		321.00	(136,190.75)		321.00	(136,190.75)
43	09/23/15	Summary Entry		(321.00)	(136,511.75)		(321.00)	(136,511.75)
44	09/24/15	Summary Entry		(20,096.25)	(156,608.00)		(20,096.25)	(156,608.00)
45	09/24/15	(Rev)Prof. Svces-2/13-3/31/15		8,500.00	(148,108.00)		8,500.00	(148,108.00)
46	09/24/15	Summary Entry		(8,500.00)	(156,608.00)		(8,500.00)	(156,608.00)
47	09/24/15	(Rev)RE: Mktg Director Agrmnt		2,252.50	(154,355.50)		2,252.50	(154,355.50)
48	09/24/15	Summary Entry		(2,252.50)	(156,608.00)		(2,252.50)	(156,608.00)
49	09/24/15	(Rev)Reimb Concords Retainr		7,500.00	(149,108.00)		7,500.00	(149,108.00)
50	09/24/15	Summary Entry		(7,500.00)	(156,608.00)		(7,500.00)	(156,608.00)
51	09/24/15	(Rev)Fire Guard Service		153.65	(156,454.35)		153.65	(156,454.35)
52	09/24/15	(Rev)Fire Guard Service-8/9		768.26	(155,686.09)		768.26	(155,686.09)
53	09/24/15	(Rev)Overtime Hours		288.10	(155,397.99)		288.10	(155,397.99)
54	09/24/15	Summary Entry		(1,210.01)	(156,608.00)		(1,210.01)	(156,608.00)
55	09/24/15	(Rev)Exp-4/17-8/1		158.97	(156,449.03)		158.97	(156,449.03)
56	09/24/15	(Rev)Exp-4/17-8/1		474.77	(155,974.26)		474.77	(155,974.26)
57	09/24/15	Summary Entry		(633.74)	(156,608.00)		(633.74)	(156,608.00)
58	09/25/15	Summary Entry		(23,451.73)	(180,059.73)		(23,451.73)	(180,059.73)
59	09/25/15	Summary Entry		(7,492.91)	(187,552.64)		(7,492.91)	(187,552.64)
60	09/25/15	(Rev)Wire Relocation		18,196.56	(169,356.08)		18,196.56	(169,356.08)

Schedule 1

BRG's Consolidated 2015 General Ledger

#	Date	Description	Actual [1]			Revised		
			Debit	Credit	Balance	Debit	Credit	Balance
61	09/25/15	(Rev)Fee @30%		5,458.97	(163,897.11)		5,458.97	(163,897.11)
62	09/29/15	CM Edit Register summary	2,015.87		(161,881.24)	2,015.87		(161,881.24)
63	09/29/15	CM Edit Register summary		(2,015.87)	(163,897.11)		(2,015.87)	(163,897.11)
64	09/30/15	Wells Fargo transf Ckg to Svgs		(150.00)	(164,047.11)		(150.00)	(164,047.11)
65	09/30/15	rec AT&T 9/15 rent pymt 9/29	2,015.87		(162,031.24)	2,015.87		(162,031.24)
66	09/30/15	Albanese equity contrib 9/16	1,166,667.00		1,004,635.76	1,166,667.00		1,004,635.76
67	09/30/15	Wells Fargo service chgs 9/15		(49.00)	1,004,586.76		(49.00)	1,004,586.76

Notes/Sources:

[1] PLBRG000058592 - 624 at 593 - 595, **Exhibit 14.**

Schedule 2

Schedule 2

BRG Operating Agreement, Exhibit E: Direct Personnel Expense of Project Staff [1]

	A		B		C = A*B		D		E = (A+C)*D		F		G = (A+C)*F		H = A+C+E+G		I		J = H*I		K		L = J*K		M = J/L824	

Notes/Sources:

[1] Exhibit E to BRG Operating Agreement. (PLBRG000098956, **Exhibit 8**)

[2] For Pre-Construction period, annualized at 150% of Salary.

[3] Benefits include Life Insurance, Medical Insurance, 401K; PR Taxes include FICA, Medicare, FUI, SUI, MCTT, DBL, WC (PLBRG000098956, **Exhibit 8**).

[4] Hourly Cost Rate means with respect to any given individual for any given period, the product of (i) 1.3, *multiplied* by (ii) the Direct Personnel Expense for such individual applicable for such given period, *divided* by (iii) 1,824. (PLBRG000098938, **Exhibit 8**) For Pre-Construction period, amounts divided by 1,216, or 2/3 of 1,824 as equivalent to 8-month partial period.

[5] Immaterial differences due to rounding.

Schedule 3

Schedule 3

Summary of Albanese Entities Employee Costs Billed to BRG [1]

Albanese Entities

Employee	Position	2015	2016	2017	Total
Hours					
Frankenberry, Matthew	Project Manager	337.50	-	-	337.50
Wansor, James	Project Manager	424.00	1,066.00	-	1,490.00
Gubbins, Michael	Assistant PM 1	-	115.00	5.00	120.00
Cruz, Madelyn	Project Admin	339.00	391.00	-	730.00
Brown, Racquel	Project Accountant	13.00	277.00	15.50	305.50
Targowski, Valerie	Bookkeeper	72.75	82.00	4.75	159.50
	Total	1,186.25	1,931.00	25.25	3,142.50
Extended Amount					
Frankenberry, Matthew	Project Manager	\$ 82,046.25	\$ -	\$ -	\$ 82,046.25
Wansor, James	Project Manager	67,246.40	193,096.80	-	260,343.20
Gubbins, Michael	Assistant PM 1	-	26,598.00	1,228.50	27,826.50
Cruz, Madelyn	Project Admin	20,712.90	23,890.10	-	44,603.00
Brown, Racquel	Project Accountant	1,183.00	26,757.90	1,551.55	29,492.45
Targowski, Valerie	Bookkeeper	5,579.93	6,334.90	376.68	12,291.50
	Total	\$ 176,768.48	\$ 276,677.70	\$ 3,156.73	\$ 456,602.90
Rate					
Frankenberry, Matthew	Project Manager	\$ 243.10	\$ -	\$ -	\$ 243.10
Wansor, James	Project Manager	158.60	181.14	-	174.73
Gubbins, Michael	Assistant PM 1	-	231.29	245.70	231.89
Cruz, Madelyn	Project Admin	61.10	61.10	-	61.10
Brown, Racquel	Project Accountant	91.00	96.60	100.10	96.54
Targowski, Valerie	Bookkeeper	76.70	77.25	79.30	77.06
	Total	\$ 149.01	\$ 143.28	\$ 125.02	\$ 145.30

Notes/Sources:

[1] See **Schedule 3.1.**

Schedule 3.1

Schedule 3.1											
Detail of Albanese Entities Employee Costs Billed to BRG											
						A	B	C = A*B	D	E = A*D	F = C-E
Albanese Entities Employee	Position per Invoice Detail	Position per Operating Agreement Exhibit E	Month	Year	Hours	Gross DPE Hourly Rate @ 1.3	Extended Amount	Rate per Operating Agreement [1]	Revised Extended Amount	Difference	Source
Frankenberry, Matthew	Senior Project Manager	Project Manager	July 2015	2015	68.00	\$ 243.10	\$ 16,530.80	\$ 154.10	\$ 10,478.48	\$ 6,052.32	PLBRG000251027
Frankenberry, Matthew	Senior Project Manager	Project Manager	August 2015	2015	65.00	243.10	15,801.50	154.10	10,016.19	5,785.31	PLBRG000251027
Frankenberry, Matthew	Senior Project Manager	Project Manager	September 2015	2015	128.00	243.10	31,116.80	154.10	19,724.19	11,392.61	PLBRG000251027
Brown, Racquel	Project Accountant	Project Accountant	July 2015	2015	13.00	91.00	1,183.00	111.33	1,447.26	(264.26)	PLBRG000251027
Brown, Racquel	Project Accountant	Project Accountant	August 2015	2015	-	91.00	-	111.33	-	-	PLBRG000251027
Brown, Racquel	Project Accountant	Project Accountant	September 2015	2015	-	91.00	-	111.33	-	-	PLBRG000251027
Cruz, Madelyn	Project Administrator	Project Admin	July 2015	2015	41.00	61.10	2,505.10	57.87	2,372.87	132.23	PLBRG000251027
Cruz, Madelyn	Project Administrator	Project Admin	August 2015	2015	31.00	61.10	1,894.10	57.87	1,794.12	99.98	PLBRG000251027
Cruz, Madelyn	Project Administrator	Project Admin	September 2015	2015	74.75	61.10	4,567.23	57.87	4,326.15	241.08	PLBRG000251027
Targowski, Valerie	Bookkeeper	Bookkeeper	July 2015	2015	6.50	76.70	498.55	69.77	453.49	45.06	PLBRG000251027
Targowski, Valerie	Bookkeeper	Bookkeeper	August 2015	2015	11.00	76.70	843.70	69.77	767.45	76.25	PLBRG000251027
Targowski, Valerie	Bookkeeper	Bookkeeper	September 2015	2015	19.00	76.70	1,457.30	69.77	1,325.60	131.70	PLBRG000251027
Frankenberry, Matthew	Senior Project Manager	Project Manager	October 2015	2015	76.50	243.10	18,597.15	154.10	11,788.28	6,808.87	PLBRG000251028
Frankenberry, Matthew	Senior Project Manager	Project Manager	November 2015	2015	-	243.10	-	154.10	-	-	PLBRG000251028
Frankenberry, Matthew	Senior Project Manager	Project Manager	December 2015	2015	-	243.10	-	154.10	-	-	PLBRG000251028
Wansor, James	Senior Project Manager	Project Manager	October 2015	2015	120.00	158.60	19,032.00	154.10	18,491.43	540.57	PLBRG000251028
Wansor, James	Senior Project Manager	Project Manager	November 2015	2015	144.00	158.60	22,838.40	154.10	22,189.71	648.69	PLBRG000251028
Wansor, James	Senior Project Manager	Project Manager	December 2015	2015	160.00	158.60	25,376.00	154.10	24,655.24	720.76	PLBRG000251028
Brown, Racquel	Project Accountant	Project Accountant	October 2015	2015	-	91.00	-	111.33	-	-	PLBRG000251028
Brown, Racquel	Project Accountant	Project Accountant	November 2015	2015	-	91.00	-	111.33	-	-	PLBRG000251028
Brown, Racquel	Project Accountant	Project Accountant	December 2015	2015	-	91.00	-	111.33	-	-	PLBRG000251028
Cruz, Madelyn	Project Administrator	Project Admin	October 2015	2015	53.00	61.10	3,238.30	57.87	3,067.37	170.93	PLBRG000251028
Cruz, Madelyn	Project Administrator	Project Admin	November 2015	2015	36.00	61.10	2,199.60	57.87	2,083.50	116.10	PLBRG000251028
Cruz, Madelyn	Project Administrator	Project Admin	December 2015	2015	103.25	61.10	6,308.58	57.87	5,975.58	332.99	PLBRG000251028
Targowski, Valerie	Bookkeeper	Bookkeeper	October 2015	2015	15.75	76.70	1,208.03	69.77	1,098.85	109.17	PLBRG000251028
Targowski, Valerie	Bookkeeper	Bookkeeper	November 2015	2015	8.50	76.70	651.95	69.77	593.03	58.92	PLBRG000251028
Targowski, Valerie	Bookkeeper	Bookkeeper	December 2015	2015	12.00	76.70	920.40	69.77	837.22	83.18	PLBRG000251028
Wansor, James	Project Manager (PT)	Project Manager	January 2016	2016	160.00	179.40	28,704.00	164.04	26,245.98	2,458.02	PLBRG000251029
Wansor, James	Project Manager (PT)	Project Manager	February 2016	2016	152.00	179.40	27,268.80	164.04	24,933.68	2,335.12	PLBRG000251029
Wansor, James	Project Manager (PT)	Project Manager	March 2016	2016	196.00	179.40	35,162.40	164.04	32,151.33	3,011.07	PLBRG000251029
Wansor, James	Project Manager (PT)	Project Manager	April 2016	2016	135.00	179.40	24,219.00	164.04	22,145.05	2,073.95	PLBRG000251029
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	January 2016	2016	23.00	228.80	5,262.40	116.21	2,672.89	2,589.51	PLBRG000251029
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	February 2016	2016	9.00	228.80	2,059.20	116.21	1,045.91	1,013.29	PLBRG000251029
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	March 2016	2016	13.00	228.80	2,974.40	116.21	1,510.76	1,463.64	PLBRG000251029
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	April 2016	2016	9.00	228.80	2,059.20	116.21	1,045.91	1,013.29	PLBRG000251029
Brown, Racquel	Project Accountant	Project Accountant	January 2016	2016	2.00	93.60	187.20	121.45	242.90	(55.70)	PLBRG000251029
Brown, Racquel	Project Accountant	Project Accountant	February 2016	2016	4.50	93.60	421.20	121.45	546.52	(125.32)	PLBRG000251029
Brown, Racquel	Project Accountant	Project Accountant	March 2016	2016	45.50	93.60	4,258.80	121.45	5,525.93	(1,267.13)	PLBRG000251029
Brown, Racquel	Project Accountant	Project Accountant	April 2016	2016	7.50	93.60	702.00	121.45	910.87	(208.87)	PLBRG000251029
Cruz, Madelyn	Project Administrator	Project Admin	January 2016	2016	88.00	61.10	5,376.80	60.82	5,352.00	24.80	PLBRG000251029

Schedule 3.1											
Detail of Albanese Entities Employee Costs Billed to BRG											
						A	B	C = A*B	D	E = A*D	F = C-E
Albanese Entities Employee	Position per Invoice Detail	Position per Operating Agreement Exhibit E	Month	Year	Hours	Gross DPE Hourly Rate @ 1.3	Extended Amount	Rate per Operating Agreement [1]	Revised Extended Amount	Difference	Source
Cruz, Madelyn	Project Administrator	Project Admin	February 2016	2016	68.00	61.10	4,154.80	60.82	4,135.64	19.16	PLBRG000251029
Cruz, Madelyn	Project Administrator	Project Admin	March 2016	2016	56.00	61.10	3,421.60	60.82	3,405.82	15.78	PLBRG000251029
Cruz, Madelyn	Project Administrator	Project Admin	April 2016	2016	81.50	61.10	4,979.65	60.82	4,956.68	22.97	PLBRG000251029
Targowski, Valerie	Bookkeeper	Bookkeeper	January 2016	2016	10.75	76.70	824.53	73.14	786.22	38.30	PLBRG000251029
Targowski, Valerie	Bookkeeper	Bookkeeper	February 2016	2016	7.00	76.70	536.90	73.14	511.96	24.94	PLBRG000251029
Targowski, Valerie	Bookkeeper	Bookkeeper	March 2016	2016	19.00	76.70	1,457.30	73.14	1,389.60	67.70	PLBRG000251029
Targowski, Valerie	Bookkeeper	Bookkeeper	April 2016	2016	8.25	76.70	632.78	73.14	603.38	29.39	PLBRG000251029
Wansor, James	Project Manager (PT)	Project Manager	May 2016	2016	71.00	179.40	12,737.40	164.04	11,646.65	1,090.75	PLBRG000251031
Wansor, James	Project Manager (PT)	Project Manager	June 2016	2016	80.00	179.40	14,352.00	164.04	13,122.99	1,229.01	PLBRG000251031
Wansor, James	Project Manager (PT)	Project Manager	July 2016	2016	33.00	183.30	6,048.90	164.04	5,413.23	635.67	PLBRG000251031
Wansor, James	Project Manager (PT)	Project Manager	August 2016	2016	40.00	183.30	7,332.00	164.04	6,561.50	770.50	PLBRG000251031
Wansor, James	Project Manager (PT)	Project Manager	September 2016	2016	97.00	183.30	17,780.10	164.04	15,911.63	1,868.47	PLBRG000251031
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	May 2016	2016	8.00	228.80	1,830.40	116.21	929.70	900.70	PLBRG000251031
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	June 2016	2016	9.00	228.80	2,059.20	116.21	1,045.91	1,013.29	PLBRG000251031
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	July 2016	2016	7.00	235.30	1,647.10	116.21	813.49	833.61	PLBRG000251031
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	August 2016	2016	13.00	235.30	3,058.90	116.21	1,510.76	1,548.14	PLBRG000251031
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	September 2016	2016	4.00	235.30	941.20	116.21	464.85	476.35	PLBRG000251031
Brown, Racquel	Project Accountant	Project Accountant	May 2016	2016	-	93.60	-	121.45	-	-	PLBRG000251031
Brown, Racquel	Project Accountant	Project Accountant	June 2016	2016	4.50	93.60	421.20	121.45	546.52	(125.32)	PLBRG000251031
Brown, Racquel	Project Accountant	Project Accountant	July 2016	2016	40.00	97.50	3,900.00	121.45	4,857.96	(957.96)	PLBRG000251031
Brown, Racquel	Project Accountant	Project Accountant	August 2016	2016	60.50	97.50	5,898.75	121.45	7,347.67	(1,448.92)	PLBRG000251031
Brown, Racquel	Project Accountant	Project Accountant	September 2016	2016	28.50	97.50	2,778.75	121.45	3,461.30	(682.55)	PLBRG000251031
Cruz, Madelyn	Project Administrator	Project Admin	May 2016	2016	61.00	61.10	3,727.10	60.82	3,709.91	17.19	PLBRG000251031
Cruz, Madelyn	Project Administrator	Project Admin	June 2016	2016	36.50	61.10	2,230.15	60.82	2,219.86	10.29	PLBRG000251031
Cruz, Madelyn	Project Administrator	Project Admin	July 2016	2016	-	61.10	-	60.82	-	-	PLBRG000251031
Cruz, Madelyn	Project Administrator	Project Admin	August 2016	2016	-	61.10	-	60.82	-	-	PLBRG000251031
Cruz, Madelyn	Project Administrator	Project Admin	September 2016	2016	-	61.10	-	60.82	-	-	PLBRG000251031
Targowski, Valerie	Bookkeeper	Bookkeeper	May 2016	2016	11.25	76.70	862.88	73.14	822.79	40.08	PLBRG000251031
Targowski, Valerie	Bookkeeper	Bookkeeper	June 2016	2016	8.25	76.70	632.78	73.14	603.38	29.39	PLBRG000251031
Targowski, Valerie	Bookkeeper	Bookkeeper	July 2016	2016	-	79.30	-	73.14	-	-	PLBRG000251031
Targowski, Valerie	Bookkeeper	Bookkeeper	August 2016	2016	-	79.30	-	73.14	-	-	PLBRG000251031
Targowski, Valerie	Bookkeeper	Bookkeeper	September 2016	2016	1.75	79.30	138.78	73.14	127.99	10.79	PLBRG000251031
Wansor, James	Project Manager (PT)	Project Manager	October 2016	2016	56.00	191.10	10,701.60	164.04	9,186.09	1,515.51	PLBRG000251032
Wansor, James	Project Manager (PT)	Project Manager	November 2016	2016	44.00	191.10	8,408.40	164.04	7,217.64	1,190.76	PLBRG000251032
Wansor, James	Project Manager (PT)	Project Manager	December 2016	2016	2.00	191.10	382.20	164.04	328.07	54.13	PLBRG000251032
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	October 2016	2016	9.00	235.30	2,117.70	116.21	1,045.91	1,071.79	PLBRG000251032
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	November 2016	2016	5.00	235.30	1,176.50	116.21	581.06	595.44	PLBRG000251032
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	December 2016	2016	6.00	235.30	1,411.80	116.21	697.27	714.53	PLBRG000251032
Brown, Racquel	Project Accountant	Project Accountant	October 2016	2016	25.50	97.50	2,486.25	121.45	3,096.95	(610.70)	PLBRG000251032
Brown, Racquel	Project Accountant	Project Accountant	November 2016	2016	6.00	97.50	585.00	121.45	728.69	(143.69)	PLBRG000251032

Schedule 3.1											
Detail of Albanese Entities Employee Costs Billed to BRG											
					A	B	C = A*B	D	E = A*D	F = C-E	
Albanese Entities Employee	Position per Invoice Detail	Position per Operating Agreement Exhibit E	Month	Year	Hours	Gross DPE Hourly Rate @ 1.3	Extended Amount	Rate per Operating Agreement [1]	Revised Extended Amount	Difference	Source
Brown, Racquel	Project Accountant	Project Accountant	December 2016	2016	52.50	97.50	5,118.75	121.45	6,376.08	(1,257.33)	PLBRG000251032
Targowski, Valerie	Bookkeeper	Bookkeeper	October 2016	2016	6.25	79.30	495.63	73.14	457.11	38.52	PLBRG000251032
Targowski, Valerie	Bookkeeper	Bookkeeper	November 2016	2016	2.25	79.30	178.43	73.14	164.56	13.87	PLBRG000251032
Targowski, Valerie	Bookkeeper	Bookkeeper	December 2016	2016	7.25	79.30	574.93	73.14	530.24	44.68	PLBRG000251032
Wansor, James	Project Manager (PT)	Project Manager	January 2017	2017	-	191.10	-	184.91	-	-	PLBRG000251022
Gubbins, Michael	Project Manager (PT)	Assistant PM 1	January 2017	2017	5.00	245.70	1,228.50	125.90	629.48	599.02	PLBRG000251022
Brown, Racquel	Project Accountant	Project Accountant	January 2017	2017	15.50	100.10	1,551.55	131.57	2,039.33	(487.78)	PLBRG000251022
Targowski, Valerie	Bookkeeper	Bookkeeper	January 2017	2017	4.75	79.30	376.68	76.99	365.69	10.99	PLBRG000251022
				Total	3,142.50		\$ 456,602.90		\$ 398,167.35	\$ 58,435.55	
						Invoiced Amount in Excess of Expected Billings				14.68%	
Notes/Sources:											
[1] See Schedule 2.											

Schedule 4

Schedule 4

Capital Contributions

Date	Description	Albanese Entities	BRG LampWorks	Total	Cumulative Capital Contributions			% of Cumulative Total			Notes
					Albanese Entities	BRG LampWorks	Total	Albanese Entities	BRG LampWorks	Total	
06/08/15	Initial Capital Contribution	\$ 4,666,668	\$ -	\$ 4,666,668	\$ 4,666,668	\$ -	\$ 4,666,668	100.00%	0.00%	100.00%	[1]
09/16/15	Initial Capital Contribution	1,166,667	-	1,166,667	5,833,335	-	5,833,335	100.00%	0.00%	100.00%	[1]
01/20/16	Initial Capital Contribution	1,000,000	-	1,000,000	6,833,335	-	6,833,335	100.00%	0.00%	100.00%	[1]
02/02/16	Initial Capital Contribution	1,000,000	-	1,000,000	7,833,335	-	7,833,335	100.00%	0.00%	100.00%	[1]
04/20/17	Mercury Funding Agreement	270,000	90,000	360,000	8,103,335	90,000	8,193,335	98.90%	1.10%	100.00%	[2]
05/17/17	Mercury Funding Agreement	375,000	125,000	500,000	8,478,335	215,000	8,693,335	97.53%	2.47%	100.00%	[3]
Total		\$ 8,478,335	\$ 215,000	\$ 8,693,335	\$ 8,478,335	\$ 215,000	\$ 8,693,335	97.53%	2.47%	100.00%	

Notes/Sources:

[1] PLBRG000058717 ("Equity & Contributions" tab), **Exhibit 50**. I understand that in the BRG Operating Agreement, Albanese Entities' contribution is listed as \$4,666,666.50 (PLBRG000098881, **Exhibit 8**). I use the most recent documentation available to me, PLBRG000058717, as it was created in 2016, after the BRG Operating Agreement. The \$1 difference between the two documents is immaterial to my analyses. Additionally, the \$4,666,667.50 used herein is rounded to the nearest dollar in this presentation.

[2] PLBRG000083780, **Exhibit 17**. I have assumed Albanese Entities' contribution at 75% of total contribution similar to contributions at May 17, 2017 per PLBRG000213398, **Exhibit 18**. I understand that the Mercury Funding Agreement, dated May 3, 2017, lists Albanese Entities and BRG LampWork's contributions at \$255,000 and \$85,000. Similar to Footnote 1 above, I use the most recent documentation available to me which is PLBRG000083780, **Exhibit 17** dated June 1, 2017 instead of the Mercury Funding Agreement.

[3] PLBRG000213398 - 399 at 398, **Exhibit 18**.

Schedule 5

Schedule 5

Funding Sources and Uses by Member of BRG

Funding Source	Calculation	Albanese Member	BRG Member	Total	Notes
Initial Capital Contributions					
Initial Capital Contribution Cap	<i>A</i>	\$ 9,333,333	\$ 2,336,667	\$ 11,670,000	[1]
Initial Capital Contributions	<i>B</i>	7,833,335	2,336,667	10,170,002	[2]
Remaining Initial Capital Contributions	$C = A - B$	1,499,999	-	1,499,999	
Post-Restructuring Mercury Loans					
Post-Restructuring Mercury Loans	<i>D</i>	1,350,000	450,000	1,800,000	[3]
Draw #1	<i>E</i>	270,000	90,000	360,000	[4]
Draw #2	<i>F</i>	375,000	125,000	500,000	[5]
Remaining Post-Restructuring Mercury Loans	$G = D - E - F$	705,000	235,000	940,000	
Additional Funding Sources					
Preferred Capital Loans	<i>H</i>	9,333,333	-	9,333,333	[6]
Additional Capital Contributions	<i>I</i>	4,000,000	2,000,000	6,000,000	[7]
Remaining Additional Funding Sources	$J = H + I$	13,333,333	2,000,000	15,333,333	
Funding Sources	$K = A + D + J$	\$ 24,016,666	\$ 4,786,667	\$ 28,803,333	
Funding Uses	$L = B + E + F$	8,478,335	2,551,667	11,030,002	
Total Remaining Funding Sources	$M = K - L$	\$ 15,538,332	\$ 2,235,000	\$ 17,773,332	

Notes/Sources:

[1] PLBRG000098870 - 967 at 880 - 881, **Exhibit 8**.

[2] For Albanese Member Initial Capital Contributions, see **Schedule 4**. For BRG Member, see Section 3.1(a) of the BRG Operating Agreement at PLBRG000098880, **Exhibit 8**.

[3] Post-Restructuring Mercury Loans of \$1,800,000 funded 75/25 between Albanese Member and BRG Member. (PLBRG000174932, **Exhibit 25**)

[4] It is unclear the amount of Draw #1 under the Mercury Funding Agreement. A capital account file from June 1, 2017 reflects a contribution of \$90,000 from BRG LampWorks, (PLBRG000083780, **Exhibit 17**) yet the Mercury Funding Agreement suggests a contribution of \$85,000. (PLBRG000174932, **Exhibit 25**) As a conservative measure and using the most current information, I have utilized the amounts disclosed in the capital account file.

[5] PLBRG000213398, **Exhibit 18**.

[6] PLBRG000098870 - 967 at 889, **Exhibit 8**.

[7] PLBRG000098870 - 967 at 882, **Exhibit 8**.

Schedule 6

Schedule 6

Active Albanese Entities [1]

#	Albanese Entity	File Date
1	Citizen's Capital Corporation	05/23/1980
2	Albanese Development Corporation	02/17/1981
3	Anthony A. Albanese Inc	03/10/1981
4	Friends of Limsat Inc	09/17/1991
5	Albanese & Albanese LLP	11/23/1994
6	Renaissance Development LLC	07/15/1997
7	Chelsea Associates, LLC	08/04/1997
8	Albanese Chelsea LLC	02/10/1998
9	Albanese Renaissance LLC	02/10/1998
10	Albanese Organization Inc	02/11/1998
11	American Realty & Management Inc	04/29/1998
12	Renaissance Development II LLC	06/23/1998
13	RFC Realty Company LLC	06/23/1998
14	Albanese Garden City	11/05/1998
15	1122 Franklin LLC	02/18/2000
16	Albanese Partners LLC	03/24/2000
17	Albanese BPC LLC	08/23/2000
18	River Terrace Associates, LLC	08/23/2000
19	North End Associates LLC	08/01/2001
20	Albanese North End LLC	08/13/2001
21	AAA Realty I Partners LLC	10/19/2009
22	AAA Realty II Partners LLC	10/19/2009
23	VMA Realty I Partners LLC	10/19/2009
24	Albanese West Chelsea	12/01/2010
25	WR Communities LLC	09/23/2011
26	Albanese Partners III LLC	12/12/2011
27	Albanese 320 West 37th LLC	05/31/2012
28	Visionaire 24C LLC	07/13/2012
29	WR Communities - A LLC	10/19/2012
30	A3 Construction Inc	01/09/2013
31	Albanese WRC - A LLC	01/09/2013
32	Albanese WRC - B LLC	01/09/2013

Schedule 6

Active Albanese Entities [1]

#	Albanese Entity	File Date
33	WR Communities - B LLC	01/09/2013
34	Hudson Wyandanch LLC	04/30/2013
35	RC Syosset Development LLC	05/22/2013
36	RCA/CVA Properties LLC	07/25/2013
37	Hudson Wyandanch B LLC	11/25/2013
38	DKMK Group	01/14/2015
39	510 West 22nd Street Owner LLC	03/23/2015
40	Albanese Harrison Lofts LLC	06/08/2015
41	Albanese WRC - E LLC	06/08/2016
42	WR Communities - E LLC	06/08/2016
43	WRC-B Commercial LLC	06/20/2016
44	WRC-A Commercial LLC	10/25/2016
45	WRC-E Manager LLC	11/04/2016
46	Hudson Wyandanch E LLC	10/04/2017
47	Jersey City Embankment Associates LLC	12/18/2017
48	WRC-E Commercial LLC	01/09/2018
49	215 Moore Street Manager LLC	06/07/2018
50	Albanese 331 Marin G-Prtnr LLC	06/07/2018
51	Albanese 331 Marin L-Prtnr LLC	06/07/2018
52	Albanese WRC - D LLC	12/10/2018
53	WR Communities - D LLC	12/10/2018
54	WRC-D Manager LLC	12/10/2018

Notes/Sources:

[1] Active Albanese Entities identified based on public records research of open-source, government and commercial databases.

Schedule 7.1

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
1	06/27/2004	\$ 116,500,000.00	\$ 490,540.61	\$ 200,261.44	\$ 290,279.17	\$ 116,299,738.56
2	07/27/2004	116,299,738.56	490,540.61	200,760.43	289,780.18	116,098,978.13
3	08/27/2004	116,098,978.13	490,540.61	201,260.66	289,279.95	115,897,717.47
4	09/27/2004	115,897,717.47	490,540.61	201,762.13	288,778.48	115,695,955.34
5	10/27/2004	115,695,955.34	490,540.61	202,264.85	288,275.76	115,493,690.49
6	11/27/2004	115,493,690.49	490,540.61	202,768.83	287,771.78	115,290,921.66
7	12/27/2004	115,290,921.66	490,540.61	203,274.06	287,266.55	115,087,647.60
8	01/27/2005	115,087,647.60	490,540.61	203,780.55	286,760.06	114,883,867.04
9	02/27/2005	114,883,867.04	490,540.61	204,288.31	286,252.30	114,679,578.73
10	03/27/2005	114,679,578.73	490,540.61	204,797.33	285,743.28	114,474,781.41
11	04/27/2005	114,474,781.41	490,540.61	205,307.61	285,233.00	114,269,473.80
12	05/27/2005	114,269,473.80	490,540.61	205,819.17	284,721.44	114,063,654.62
13	06/27/2005	114,063,654.62	490,540.61	206,332.00	284,208.61	113,857,322.62
14	07/27/2005	113,857,322.62	490,540.61	206,846.11	283,694.50	113,650,476.51
15	08/27/2005	113,650,476.51	490,540.61	207,361.51	283,179.10	113,443,115.00
16	09/27/2005	113,443,115.00	490,540.61	207,878.18	282,662.43	113,235,236.82
17	10/27/2005	113,235,236.82	490,540.61	208,396.14	282,144.47	113,026,840.68
18	11/27/2005	113,026,840.68	490,540.61	208,915.40	281,625.21	112,817,925.28
19	12/27/2005	112,817,925.28	490,540.61	209,435.95	281,104.66	112,608,489.33
20	01/27/2006	112,608,489.33	490,540.61	209,957.79	280,582.82	112,398,531.54
21	02/27/2006	112,398,531.54	490,540.61	210,480.94	280,059.67	112,188,050.61

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
22	03/27/2006	112,188,050.61	490,540.61	211,005.38	279,535.23	111,977,045.22
23	04/27/2006	111,977,045.22	490,540.61	211,531.14	279,009.47	111,765,514.08
24	05/27/2006	111,765,514.08	490,540.61	212,058.20	278,482.41	111,553,455.88
25	06/27/2006	111,553,455.88	490,540.61	212,586.58	277,954.03	111,340,869.30
26	07/27/2006	111,340,869.30	490,540.61	213,116.28	277,424.33	111,127,753.02
27	08/27/2006	111,127,753.02	490,540.61	213,647.29	276,893.32	110,914,105.73
28	09/27/2006	110,914,105.73	490,540.61	214,179.63	276,360.98	110,699,926.10
29	10/27/2006	110,699,926.10	490,540.61	214,713.29	275,827.32	110,485,212.81
30	11/27/2006	110,485,212.81	490,540.61	215,248.29	275,292.32	110,269,964.52
31	12/27/2006	110,269,964.52	490,540.61	215,784.61	274,755.99	110,054,179.90
32	01/27/2007	110,054,179.90	490,540.61	216,322.28	274,218.33	109,837,857.63
33	02/27/2007	109,837,857.63	490,540.61	216,861.28	273,679.33	109,620,996.35
34	03/27/2007	109,620,996.35	490,540.61	217,401.63	273,138.98	109,403,594.72
35	04/27/2007	109,403,594.72	490,540.61	217,943.32	272,597.29	109,185,651.40
36	05/27/2007	109,185,651.40	490,540.61	218,486.36	272,054.25	108,967,165.04
37	06/27/2007	108,967,165.04	490,540.61	219,030.76	271,509.85	108,748,134.28
38	07/27/2007	108,748,134.28	490,540.61	219,576.51	270,964.10	108,528,557.77
39	08/27/2007	108,528,557.77	490,540.61	220,123.62	270,416.99	108,308,434.15
40	09/27/2007	108,308,434.15	490,540.61	220,672.09	269,868.52	108,087,762.06
41	10/27/2007	108,087,762.06	490,540.61	221,221.94	269,318.67	107,866,540.12
42	11/27/2007	107,866,540.12	490,540.61	221,773.15	268,767.46	107,644,766.98

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
43	12/27/2007	107,644,766.98	490,540.61	222,325.73	268,214.88	107,422,441.24
44	01/27/2008	107,422,441.24	490,540.61	222,879.69	267,660.92	107,199,561.55
45	02/27/2008	107,199,561.55	490,540.61	223,435.04	267,105.57	106,976,126.51
46	03/27/2008	106,976,126.51	490,540.61	223,991.76	266,548.85	106,752,134.75
47	04/27/2008	106,752,134.75	490,540.61	224,549.87	265,990.74	106,527,584.88
48	05/27/2008	106,527,584.88	490,540.61	225,109.38	265,431.23	106,302,475.50
49	06/27/2008	106,302,475.50	490,540.61	225,670.27	264,870.33	106,076,805.23
50	07/27/2008	106,076,805.23	490,540.61	226,232.57	264,308.04	105,850,572.66
51	08/27/2008	105,850,572.66	490,540.61	226,796.27	263,744.34	105,623,776.39
52	09/27/2008	105,623,776.39	490,540.61	227,361.37	263,179.24	105,396,415.02
53	10/27/2008	105,396,415.02	490,540.61	227,927.88	262,612.73	105,168,487.15
54	11/27/2008	105,168,487.15	490,540.61	228,495.80	262,044.81	104,939,991.35
55	12/27/2008	104,939,991.35	490,540.61	229,065.13	261,475.48	104,710,926.22
56	01/27/2009	104,710,926.22	490,540.61	229,635.89	260,904.72	104,481,290.34
57	02/27/2009	104,481,290.34	490,540.61	230,208.06	260,332.55	104,251,082.28
58	03/27/2009	104,251,082.28	490,540.61	230,781.66	259,758.95	104,020,300.61
59	04/27/2009	104,020,300.61	490,540.61	231,356.69	259,183.92	103,788,943.92
60	05/27/2009	103,788,943.92	490,540.61	231,933.16	258,607.45	103,557,010.76
61	06/27/2009	103,557,010.76	490,540.61	232,511.06	258,029.55	103,324,499.70
62	07/27/2009	103,324,499.70	490,540.61	233,090.40	257,450.21	103,091,409.31
63	08/27/2009	103,091,409.31	490,540.61	233,671.18	256,869.43	102,857,738.12

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		A		B		C = A - B
		Beginning		Principal	Interest	Ending Balance
Payment No.	Payment Date	Balance	Payment			
64	09/27/2009	102,857,738.12	490,540.61	234,253.41	256,287.20	102,623,484.71
65	10/27/2009	102,623,484.71	490,540.61	234,837.09	255,703.52	102,388,647.62
66	11/27/2009	102,388,647.62	490,540.61	235,422.23	255,118.38	102,153,225.39
67	12/27/2009	102,153,225.39	490,540.61	236,008.82	254,531.79	101,917,216.57
68	01/27/2010	101,917,216.57	490,540.61	236,596.88	253,943.73	101,680,619.69
69	02/27/2010	101,680,619.69	490,540.61	237,186.40	253,354.21	101,443,433.29
70	03/27/2010	101,443,433.29	490,540.61	237,777.39	252,763.22	101,205,655.90
71	04/27/2010	101,205,655.90	490,540.61	238,369.85	252,170.76	100,967,286.05
72	05/27/2010	100,967,286.05	490,540.61	238,963.79	251,576.82	100,728,322.26
73	06/27/2010	100,728,322.26	490,540.61	239,559.21	250,981.40	100,488,763.06
74	07/27/2010	100,488,763.06	490,540.61	240,156.11	250,384.50	100,248,606.95
75	08/27/2010	100,248,606.95	490,540.61	240,754.50	249,786.11	100,007,852.45
76	09/27/2010	100,007,852.45	490,540.61	241,354.38	249,186.23	99,766,498.07
77	10/27/2010	99,766,498.07	490,540.61	241,955.75	248,584.86	99,524,542.32
78	11/27/2010	99,524,542.32	490,540.61	242,558.62	247,981.98	99,281,983.70
79	12/27/2010	99,281,983.70	490,540.61	243,163.00	247,377.61	99,038,820.70
80	01/27/2011	99,038,820.70	490,540.61	243,768.88	246,771.73	98,795,051.82
81	02/27/2011	98,795,051.82	490,540.61	244,376.27	246,164.34	98,550,675.54
82	03/27/2011	98,550,675.54	490,540.61	244,985.18	245,555.43	98,305,690.37
83	04/27/2011	98,305,690.37	490,540.61	245,595.60	244,945.01	98,060,094.77
84	05/27/2011	98,060,094.77	490,540.61	246,207.54	244,333.07	97,813,887.23

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
85	06/27/2011	97,813,887.23	490,540.61	246,821.01	243,719.60	97,567,066.22
86	07/27/2011	97,567,066.22	490,540.61	247,436.00	243,104.61	97,319,630.22
87	08/27/2011	97,319,630.22	490,540.61	248,052.53	242,488.08	97,071,577.69
88	09/27/2011	97,071,577.69	490,540.61	248,670.60	241,870.01	96,822,907.09
89	10/27/2011	96,822,907.09	490,540.61	249,290.20	241,250.41	96,573,616.89
90	11/27/2011	96,573,616.89	490,540.61	249,911.35	240,629.26	96,323,705.55
91	12/27/2011	96,323,705.55	490,540.61	250,534.04	240,006.57	96,073,171.50
92	01/27/2012	96,073,171.50	490,540.61	251,158.29	239,382.32	95,822,013.21
93	02/27/2012	95,822,013.21	490,540.61	251,784.09	238,756.52	95,570,229.12
94	03/27/2012	95,570,229.12	490,540.61	252,411.46	238,129.15	95,317,817.66
95	04/27/2012	95,317,817.66	490,540.61	253,040.38	237,500.23	95,064,777.28
96	05/27/2012	95,064,777.28	490,540.61	253,670.87	236,869.74	94,811,106.41
97	06/27/2012	94,811,106.41	490,540.61	254,302.94	236,237.67	94,556,803.47
98	07/27/2012	94,556,803.47	490,540.61	254,936.57	235,604.04	94,301,866.90
99	08/27/2012	94,301,866.90	490,540.61	255,571.79	234,968.82	94,046,295.11
100	09/27/2012	94,046,295.11	490,540.61	256,208.59	234,332.02	93,790,086.52
101	10/27/2012	93,790,086.52	490,540.61	256,846.98	233,693.63	93,533,239.54
102	11/27/2012	93,533,239.54	490,540.61	257,486.95	233,053.66	93,275,752.59
103	12/27/2012	93,275,752.59	490,540.61	258,128.53	232,412.08	93,017,624.06
104	01/27/2013	93,017,624.06	490,540.61	258,771.70	231,768.91	92,758,852.36
105	02/27/2013	92,758,852.36	490,540.61	259,416.47	231,124.14	92,499,435.89

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
106	03/27/2013	92,499,435.89	490,540.61	260,062.85	230,477.76	92,239,373.05
107	04/27/2013	92,239,373.05	490,540.61	260,710.84	229,829.77	91,978,662.21
108	05/27/2013	91,978,662.21	490,540.61	261,360.44	229,180.17	91,717,301.76
109	06/27/2013	91,717,301.76	490,540.61	262,011.67	228,528.94	91,455,290.10
110	07/27/2013	91,455,290.10	490,540.61	262,664.51	227,876.10	91,192,625.59
111	08/27/2013	91,192,625.59	490,540.61	263,318.98	227,221.63	90,929,306.60
112	09/27/2013	90,929,306.60	490,540.61	263,975.09	226,565.52	90,665,331.52
113	10/27/2013	90,665,331.52	490,540.61	264,632.83	225,907.78	90,400,698.69
114	11/27/2013	90,400,698.69	490,540.61	265,292.20	225,248.41	90,135,406.49
115	12/27/2013	90,135,406.49	490,540.61	265,953.22	224,587.39	89,869,453.27
116	01/27/2014	89,869,453.27	490,540.61	266,615.89	223,924.72	89,602,837.38
117	02/27/2014	89,602,837.38	490,540.61	267,280.21	223,260.40	89,335,557.17
118	03/27/2014	89,335,557.17	490,540.61	267,946.18	222,594.43	89,067,610.99
119	04/27/2014	89,067,610.99	490,540.61	268,613.81	221,926.80	88,798,997.18
120	05/27/2014	88,798,997.18	490,540.61	269,283.11	221,257.50	88,529,714.07
121	06/27/2014	88,529,714.07	490,540.61	269,954.07	220,586.54	88,259,760.00
122	07/27/2014	88,259,760.00	490,540.61	270,626.71	219,913.90	87,989,133.29
123	08/27/2014	87,989,133.29	490,540.61	271,301.02	219,239.59	87,717,832.27
124	09/27/2014	87,717,832.27	490,540.61	271,977.01	218,563.60	87,445,855.26
125	10/27/2014	87,445,855.26	490,540.61	272,654.69	217,885.92	87,173,200.57
126	11/27/2014	87,173,200.57	490,540.61	273,334.05	217,206.56	86,899,866.52

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
127	12/27/2014	86,899,866.52	490,540.61	274,015.11	216,525.50	86,625,851.41
128	01/27/2015	86,625,851.41	490,540.61	274,697.86	215,842.75	86,351,153.55
129	02/27/2015	86,351,153.55	490,540.61	275,382.32	215,158.29	86,075,771.23
130	03/27/2015	86,075,771.23	490,540.61	276,068.48	214,472.13	85,799,702.75
131	04/27/2015	85,799,702.75	490,540.61	276,756.35	213,784.26	85,522,946.40
132	05/27/2015	85,522,946.40	490,540.61	277,445.93	213,094.67	85,245,500.47
133	06/27/2015	85,245,500.47	490,540.61	278,137.24	212,403.37	84,967,363.23
134	07/27/2015	84,967,363.23	490,540.61	278,830.26	211,710.35	84,688,532.97
135	08/27/2015	84,688,532.97	490,540.61	279,525.01	211,015.59	84,409,007.95
136	09/27/2015	84,409,007.95	490,540.61	280,221.50	210,319.11	84,128,786.45
137	10/27/2015	84,128,786.45	490,540.61	280,919.72	209,620.89	83,847,866.74
138	11/27/2015	83,847,866.74	490,540.61	281,619.67	208,920.93	83,566,247.06
139	12/27/2015	83,566,247.06	490,540.61	282,321.38	208,219.23	83,283,925.69
140	01/27/2016	83,283,925.69	490,540.61	283,024.83	207,515.78	83,000,900.86
141	02/27/2016	83,000,900.86	490,540.61	283,730.03	206,810.58	82,717,170.83
142	03/27/2016	82,717,170.83	490,540.61	284,436.99	206,103.62	82,432,733.83
143	04/27/2016	82,432,733.83	490,540.61	285,145.71	205,394.90	82,147,588.12
144	05/27/2016	82,147,588.12	490,540.61	285,856.20	204,684.41	81,861,731.92
145	06/27/2016	81,861,731.92	490,540.61	286,568.46	203,972.15	81,575,163.46
146	07/27/2016	81,575,163.46	490,540.61	287,282.49	203,258.12	81,287,880.96
147	08/27/2016	81,287,880.96	490,540.61	287,998.31	202,542.30	80,999,882.66

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
148	09/27/2016	80,999,882.66	490,540.61	288,715.90	201,824.71	80,711,166.75
149	10/27/2016	80,711,166.75	490,540.61	289,435.29	201,105.32	80,421,731.47
150	11/27/2016	80,421,731.47	490,540.61	290,156.46	200,384.15	80,131,575.01
151	12/27/2016	80,131,575.01	490,540.61	290,879.44	199,661.17	79,840,695.57
152	01/27/2017	79,840,695.57	490,540.61	291,604.21	198,936.40	79,549,091.36
153	02/27/2017	79,549,091.36	490,540.61	292,330.79	198,209.82	79,256,760.57
154	03/27/2017	79,256,760.57	490,540.61	293,059.18	197,481.43	78,963,701.39
155	04/27/2017	78,963,701.39	490,540.61	293,789.39	196,751.22	78,669,912.00
156	05/27/2017	78,669,912.00	490,540.61	294,521.41	196,019.20	78,375,390.59
157	06/27/2017	78,375,390.59	490,540.61	295,255.26	195,285.35	78,080,135.33
158	07/27/2017	78,080,135.33	490,540.61	295,990.94	194,549.67	77,784,144.39
159	08/27/2017	77,784,144.39	490,540.61	296,728.45	193,812.16	77,487,415.94
160	09/27/2017	77,487,415.94	490,540.61	297,467.80	193,072.81	77,189,948.14
161	10/27/2017	77,189,948.14	490,540.61	298,208.99	192,331.62	76,891,739.15
162	11/27/2017	76,891,739.15	490,540.61	298,952.03	191,588.58	76,592,787.13
163	12/27/2017	76,592,787.13	490,540.61	299,696.91	190,843.69	76,293,090.21
164	01/27/2018	76,293,090.21	490,540.61	300,443.66	190,096.95	75,992,646.55
165	02/27/2018	75,992,646.55	490,540.61	301,192.27	189,348.34	75,691,454.29
166	03/27/2018	75,691,454.29	490,540.61	301,942.74	188,597.87	75,389,511.55
167	04/27/2018	75,389,511.55	490,540.61	302,695.08	187,845.53	75,086,816.47
168	05/27/2018	75,086,816.47	490,540.61	303,449.29	187,091.32	74,783,367.18

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
		Beginning				
Payment No.	Payment Date	Balance	Payment	Principal	Interest	Ending Balance
169	06/27/2018	74,783,367.18	490,540.61	304,205.39	186,335.22	74,479,161.80
170	07/27/2018	74,479,161.80	490,540.61	304,963.36	185,577.24	74,174,198.43
171	08/27/2018	74,174,198.43	490,540.61	305,723.23	184,817.38	73,868,475.20
172	09/27/2018	73,868,475.20	490,540.61	306,484.99	184,055.62	73,561,990.21
173	10/27/2018	73,561,990.21	490,540.61	307,248.65	183,291.96	73,254,741.56
174	11/27/2018	73,254,741.56	490,540.61	308,014.21	182,526.40	72,946,727.34
175	12/27/2018	72,946,727.34	490,540.61	308,781.68	181,758.93	72,637,945.66
176	01/27/2019	72,637,945.66	490,540.61	309,551.06	180,989.55	72,328,394.60
177	02/27/2019	72,328,394.60	490,540.61	310,322.36	180,218.25	72,018,072.24
178	03/27/2019	72,018,072.24	490,540.61	311,095.58	179,445.03	71,706,976.66
179	04/27/2019	71,706,976.66	490,540.61	311,870.73	178,669.88	71,395,105.94
180	05/27/2019	71,395,105.94	490,540.61	312,647.80	177,892.81	71,082,458.13
181	06/27/2019	71,082,458.13	490,540.61	313,426.82	177,113.79	70,769,031.32
182	07/27/2019	70,769,031.32	490,540.61	314,207.77	176,332.84	70,454,823.54
183	08/27/2019	70,454,823.54	490,540.61	314,990.67	175,549.94	70,139,832.87
184	09/27/2019	70,139,832.87	490,540.61	315,775.53	174,765.08	69,824,057.34
185	10/27/2019	69,824,057.34	490,540.61	316,562.33	173,978.28	69,507,495.01
186	11/27/2019	69,507,495.01	490,540.61	317,351.10	173,189.51	69,190,143.91
187	12/27/2019	69,190,143.91	490,540.61	318,141.83	172,398.78	68,872,002.07
188	01/27/2020	68,872,002.07	490,540.61	318,934.54	171,606.07	68,553,067.54
189	02/27/2020	68,553,067.54	490,540.61	319,729.22	170,811.39	68,233,338.32

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
190	03/27/2020	68,233,338.32	490,540.61	320,525.87	170,014.73	67,912,812.44
191	04/27/2020	67,912,812.44	490,540.61	321,324.52	169,216.09	67,591,487.93
192	05/27/2020	67,591,487.93	490,540.61	322,125.15	168,415.46	67,269,362.77
193	06/27/2020	67,269,362.77	490,540.61	322,927.78	167,612.83	66,946,434.99
194	07/27/2020	66,946,434.99	490,540.61	323,732.41	166,808.20	66,622,702.58
195	08/27/2020	66,622,702.58	490,540.61	324,539.04	166,001.57	66,298,163.54
196	09/27/2020	66,298,163.54	490,540.61	325,347.69	165,192.92	65,972,815.86
197	10/27/2020	65,972,815.86	490,540.61	326,158.34	164,382.27	65,646,657.51
198	11/27/2020	65,646,657.51	490,540.61	326,971.02	163,569.59	65,319,686.49
199	12/27/2020	65,319,686.49	490,540.61	327,785.72	162,754.89	64,991,900.77
200	01/27/2021	64,991,900.77	490,540.61	328,602.46	161,938.15	64,663,298.31
201	02/27/2021	64,663,298.31	490,540.61	329,421.22	161,119.38	64,333,877.09
202	03/27/2021	64,333,877.09	490,540.61	330,242.03	160,298.58	64,003,635.05
203	04/27/2021	64,003,635.05	490,540.61	331,064.89	159,475.72	63,672,570.17
204	05/27/2021	63,672,570.17	490,540.61	331,889.79	158,650.82	63,340,680.38
205	06/27/2021	63,340,680.38	490,540.61	332,716.75	157,823.86	63,007,963.63
206	07/27/2021	63,007,963.63	490,540.61	333,545.77	156,994.84	62,674,417.86
207	08/27/2021	62,674,417.86	490,540.61	334,376.85	156,163.76	62,340,041.01
208	09/27/2021	62,340,041.01	490,540.61	335,210.01	155,330.60	62,004,831.01
209	10/27/2021	62,004,831.01	490,540.61	336,045.24	154,495.37	61,668,785.77
210	11/27/2021	61,668,785.77	490,540.61	336,882.55	153,658.06	61,331,903.21

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
211	12/27/2021	61,331,903.21	490,540.61	337,721.95	152,818.66	60,994,181.26
212	01/27/2022	60,994,181.26	490,540.61	338,563.44	151,977.17	60,655,617.82
213	02/27/2022	60,655,617.82	490,540.61	339,407.03	151,133.58	60,316,210.79
214	03/27/2022	60,316,210.79	490,540.61	340,252.72	150,287.89	59,975,958.08
215	04/27/2022	59,975,958.08	490,540.61	341,100.51	149,440.10	59,634,857.56
216	05/27/2022	59,634,857.56	490,540.61	341,950.42	148,590.19	59,292,907.14
217	06/27/2022	59,292,907.14	490,540.61	342,802.45	147,738.16	58,950,104.69
218	07/27/2022	58,950,104.69	490,540.61	343,656.60	146,884.01	58,606,448.09
219	08/27/2022	58,606,448.09	490,540.61	344,512.88	146,027.73	58,261,935.21
220	09/27/2022	58,261,935.21	490,540.61	345,371.29	145,169.32	57,916,563.93
221	10/27/2022	57,916,563.93	490,540.61	346,231.84	144,308.77	57,570,332.09
222	11/27/2022	57,570,332.09	490,540.61	347,094.53	143,446.08	57,223,237.56
223	12/27/2022	57,223,237.56	490,540.61	347,959.38	142,581.23	56,875,278.18
224	01/27/2023	56,875,278.18	490,540.61	348,826.37	141,714.23	56,526,451.81
225	02/27/2023	56,526,451.81	490,540.61	349,695.53	140,845.08	56,176,756.27
226	03/27/2023	56,176,756.27	490,540.61	350,566.86	139,973.75	55,826,189.41
227	04/27/2023	55,826,189.41	490,540.61	351,440.35	139,100.26	55,474,749.06
228	05/27/2023	55,474,749.06	490,540.61	352,316.03	138,224.58	55,122,433.03
229	06/27/2023	55,122,433.03	490,540.61	353,193.88	137,346.73	54,769,239.15
230	07/27/2023	54,769,239.15	490,540.61	354,073.92	136,466.69	54,415,165.23
231	08/27/2023	54,415,165.23	490,540.61	354,956.16	135,584.45	54,060,209.07

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		A		B		C = A - B
		Beginning		Principal	Interest	Ending Balance
Payment No.	Payment Date	Balance	Payment			
232	09/27/2023	54,060,209.07	490,540.61	355,840.59	134,700.02	53,704,368.49
233	10/27/2023	53,704,368.49	490,540.61	356,727.22	133,813.38	53,347,641.26
234	11/27/2023	53,347,641.26	490,540.61	357,616.07	132,924.54	52,990,025.19
235	12/27/2023	52,990,025.19	490,540.61	358,507.13	132,033.48	52,631,518.06
236	01/27/2024	52,631,518.06	490,540.61	359,400.41	131,140.20	52,272,117.65
237	02/27/2024	52,272,117.65	490,540.61	360,295.92	130,244.69	51,911,821.73
238	03/27/2024	51,911,821.73	490,540.61	361,193.65	129,346.96	51,550,628.08
239	04/27/2024	51,550,628.08	490,540.61	362,093.63	128,446.98	51,188,534.45
240	05/27/2024	51,188,534.45	490,540.61	362,995.84	127,544.77	50,825,538.61
241	06/27/2024	50,825,538.61	490,540.61	363,900.31	126,640.30	50,461,638.30
242	07/27/2024	50,461,638.30	490,540.61	364,807.03	125,733.58	50,096,831.27
243	08/27/2024	50,096,831.27	490,540.61	365,716.00	124,824.60	49,731,115.27
244	09/27/2024	49,731,115.27	490,540.61	366,627.25	123,913.36	49,364,488.02
245	10/27/2024	49,364,488.02	490,540.61	367,540.76	122,999.85	48,996,947.26
246	11/27/2024	48,996,947.26	490,540.61	368,456.55	122,084.06	48,628,490.71
247	12/27/2024	48,628,490.71	490,540.61	369,374.62	121,165.99	48,259,116.09
248	01/27/2025	48,259,116.09	490,540.61	370,294.98	120,245.63	47,888,821.11
249	02/27/2025	47,888,821.11	490,540.61	371,217.63	119,322.98	47,517,603.48
250	03/27/2025	47,517,603.48	490,540.61	372,142.58	118,398.03	47,145,460.90
251	04/27/2025	47,145,460.90	490,540.61	373,069.84	117,470.77	46,772,391.06
252	05/27/2025	46,772,391.06	490,540.61	373,999.40	116,541.21	46,398,391.66

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
253	06/27/2025	46,398,391.66	490,540.61	374,931.28	115,609.33	46,023,460.38
254	07/27/2025	46,023,460.38	490,540.61	375,865.49	114,675.12	45,647,594.89
255	08/27/2025	45,647,594.89	490,540.61	376,802.02	113,738.59	45,270,792.87
256	09/27/2025	45,270,792.87	490,540.61	377,740.88	112,799.73	44,893,051.99
257	10/27/2025	44,893,051.99	490,540.61	378,682.09	111,858.52	44,514,369.90
258	11/27/2025	44,514,369.90	490,540.61	379,625.64	110,914.97	44,134,744.26
259	12/27/2025	44,134,744.26	490,540.61	380,571.54	109,969.07	43,754,172.72
260	01/27/2026	43,754,172.72	490,540.61	381,519.80	109,020.81	43,372,652.93
261	02/27/2026	43,372,652.93	490,540.61	382,470.42	108,070.19	42,990,182.51
262	03/27/2026	42,990,182.51	490,540.61	383,423.40	107,117.20	42,606,759.11
263	04/27/2026	42,606,759.11	490,540.61	384,378.77	106,161.84	42,222,380.34
264	05/27/2026	42,222,380.34	490,540.61	385,336.51	105,204.10	41,837,043.83
265	06/27/2026	41,837,043.83	490,540.61	386,296.64	104,243.97	41,450,747.18
266	07/27/2026	41,450,747.18	490,540.61	387,259.16	103,281.45	41,063,488.02
267	08/27/2026	41,063,488.02	490,540.61	388,224.09	102,316.52	40,675,263.93
268	09/27/2026	40,675,263.93	490,540.61	389,191.41	101,349.20	40,286,072.52
269	10/27/2026	40,286,072.52	490,540.61	390,161.15	100,379.46	39,895,911.38
270	11/27/2026	39,895,911.38	490,540.61	391,133.30	99,407.31	39,504,778.08
271	12/27/2026	39,504,778.08	490,540.61	392,107.87	98,432.74	39,112,670.21
272	01/27/2027	39,112,670.21	490,540.61	393,084.87	97,455.74	38,719,585.34
273	02/27/2027	38,719,585.34	490,540.61	394,064.31	96,476.30	38,325,521.03

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
274	03/27/2027	38,325,521.03	490,540.61	395,046.19	95,494.42	37,930,474.84
275	04/27/2027	37,930,474.84	490,540.61	396,030.51	94,510.10	37,534,444.33
276	05/27/2027	37,534,444.33	490,540.61	397,017.29	93,523.32	37,137,427.05
277	06/27/2027	37,137,427.05	490,540.61	398,006.52	92,534.09	36,739,420.53
278	07/27/2027	36,739,420.53	490,540.61	398,998.22	91,542.39	36,340,422.31
279	08/27/2027	36,340,422.31	490,540.61	399,992.39	90,548.22	35,940,429.91
280	09/27/2027	35,940,429.91	490,540.61	400,989.04	89,551.57	35,539,440.88
281	10/27/2027	35,539,440.88	490,540.61	401,988.17	88,552.44	35,137,452.71
282	11/27/2027	35,137,452.71	490,540.61	402,989.79	87,550.82	34,734,462.92
283	12/27/2027	34,734,462.92	490,540.61	403,993.91	86,546.70	34,330,469.01
284	01/27/2028	34,330,469.01	490,540.61	405,000.52	85,540.09	33,925,468.49
285	02/27/2028	33,925,468.49	490,540.61	406,009.65	84,530.96	33,519,458.84
286	03/27/2028	33,519,458.84	490,540.61	407,021.29	83,519.32	33,112,437.54
287	04/27/2028	33,112,437.54	490,540.61	408,035.45	82,505.16	32,704,402.09
288	05/27/2028	32,704,402.09	490,540.61	409,052.14	81,488.47	32,295,349.95
289	06/27/2028	32,295,349.95	490,540.61	410,071.36	80,469.25	31,885,278.59
290	07/27/2028	31,885,278.59	490,540.61	411,093.12	79,447.49	31,474,185.46
291	08/27/2028	31,474,185.46	490,540.61	412,117.43	78,423.18	31,062,068.03
292	09/27/2028	31,062,068.03	490,540.61	413,144.29	77,396.32	30,648,923.74
293	10/27/2028	30,648,923.74	490,540.61	414,173.71	76,366.90	30,234,750.04
294	11/27/2028	30,234,750.04	490,540.61	415,205.69	75,334.92	29,819,544.34

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
295	12/27/2028	29,819,544.34	490,540.61	416,240.24	74,300.36	29,403,304.10
296	01/27/2029	29,403,304.10	490,540.61	417,277.38	73,263.23	28,986,026.72
297	02/27/2029	28,986,026.72	490,540.61	418,317.09	72,223.52	28,567,709.63
298	03/27/2029	28,567,709.63	490,540.61	419,359.40	71,181.21	28,148,350.23
299	04/27/2029	28,148,350.23	490,540.61	420,404.30	70,136.31	27,727,945.93
300	05/27/2029	27,727,945.93	490,540.61	421,451.81	69,088.80	27,306,494.12
301	06/27/2029	27,306,494.12	490,540.61	422,501.93	68,038.68	26,883,992.19
302	07/27/2029	26,883,992.19	490,540.61	423,554.66	66,985.95	26,460,437.52
303	08/27/2029	26,460,437.52	490,540.61	424,610.02	65,930.59	26,035,827.51
304	09/27/2029	26,035,827.51	490,540.61	425,668.01	64,872.60	25,610,159.50
305	10/27/2029	25,610,159.50	490,540.61	426,728.63	63,811.98	25,183,430.87
306	11/27/2029	25,183,430.87	490,540.61	427,791.89	62,748.72	24,755,638.98
307	12/27/2029	24,755,638.98	490,540.61	428,857.81	61,682.80	24,326,781.17
308	01/27/2030	24,326,781.17	490,540.61	429,926.38	60,614.23	23,896,854.79
309	02/27/2030	23,896,854.79	490,540.61	430,997.61	59,543.00	23,465,857.17
310	03/27/2030	23,465,857.17	490,540.61	432,071.52	58,469.09	23,033,785.66
311	04/27/2030	23,033,785.66	490,540.61	433,148.09	57,392.52	22,600,637.57
312	05/27/2030	22,600,637.57	490,540.61	434,227.35	56,313.26	22,166,410.21
313	06/27/2030	22,166,410.21	490,540.61	435,309.30	55,231.31	21,731,100.91
314	07/27/2030	21,731,100.91	490,540.61	436,393.95	54,146.66	21,294,706.96
315	08/27/2030	21,294,706.96	490,540.61	437,481.30	53,059.31	20,857,225.66

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
316	09/27/2030	20,857,225.66	490,540.61	438,571.36	51,969.25	20,418,654.30
317	10/27/2030	20,418,654.30	490,540.61	439,664.13	50,876.48	19,978,990.17
318	11/27/2030	19,978,990.17	490,540.61	440,759.63	49,780.98	19,538,230.55
319	12/27/2030	19,538,230.55	490,540.61	441,857.85	48,682.76	19,096,372.70
320	01/27/2031	19,096,372.70	490,540.61	442,958.81	47,581.80	18,653,413.88
321	02/27/2031	18,653,413.88	490,540.61	444,062.52	46,478.09	18,209,351.36
322	03/27/2031	18,209,351.36	490,540.61	445,168.98	45,371.63	17,764,182.39
323	04/27/2031	17,764,182.39	490,540.61	446,278.19	44,262.42	17,317,904.20
324	05/27/2031	17,317,904.20	490,540.61	447,390.16	43,150.44	16,870,514.03
325	06/27/2031	16,870,514.03	490,540.61	448,504.91	42,035.70	16,422,009.12
326	07/27/2031	16,422,009.12	490,540.61	449,622.44	40,918.17	15,972,386.68
327	08/27/2031	15,972,386.68	490,540.61	450,742.75	39,797.86	15,521,643.94
328	09/27/2031	15,521,643.94	490,540.61	451,865.85	38,674.76	15,069,778.09
329	10/27/2031	15,069,778.09	490,540.61	452,991.75	37,548.86	14,616,786.35
330	11/27/2031	14,616,786.35	490,540.61	454,120.45	36,420.16	14,162,665.90
331	12/27/2031	14,162,665.90	490,540.61	455,251.97	35,288.64	13,707,413.93
332	01/27/2032	13,707,413.93	490,540.61	456,386.30	34,154.31	13,251,027.62
333	02/27/2032	13,251,027.62	490,540.61	457,523.47	33,017.14	12,793,504.16
334	03/27/2032	12,793,504.16	490,540.61	458,663.46	31,877.15	12,334,840.70
335	04/27/2032	12,334,840.70	490,540.61	459,806.30	30,734.31	11,875,034.40
336	05/27/2032	11,875,034.40	490,540.61	460,951.98	29,588.63	11,414,082.42

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
337	06/27/2032	11,414,082.42	490,540.61	462,100.52	28,440.09	10,951,981.90
338	07/27/2032	10,951,981.90	490,540.61	463,251.92	27,288.69	10,488,729.97
339	08/27/2032	10,488,729.97	490,540.61	464,406.19	26,134.42	10,024,323.78
340	09/27/2032	10,024,323.78	490,540.61	465,563.34	24,977.27	9,558,760.45
341	10/27/2032	9,558,760.45	490,540.61	466,723.36	23,817.24	9,092,037.08
342	11/27/2032	9,092,037.08	490,540.61	467,886.28	22,654.33	8,624,150.80
343	12/27/2032	8,624,150.80	490,540.61	469,052.10	21,488.51	8,155,098.70
344	01/27/2033	8,155,098.70	490,540.61	470,220.82	20,319.79	7,684,877.88
345	02/27/2033	7,684,877.88	490,540.61	471,392.46	19,148.15	7,213,485.42
346	03/27/2033	7,213,485.42	490,540.61	472,567.01	17,973.60	6,740,918.41
347	04/27/2033	6,740,918.41	490,540.61	473,744.49	16,796.12	6,267,173.93
348	05/27/2033	6,267,173.93	490,540.61	474,924.90	15,615.71	5,792,249.02
349	06/27/2033	5,792,249.02	490,540.61	476,108.26	14,432.35	5,316,140.77
350	07/27/2033	5,316,140.77	490,540.61	477,294.56	13,246.05	4,838,846.21
351	08/27/2033	4,838,846.21	490,540.61	478,483.82	12,056.79	4,360,362.39
352	09/27/2033	4,360,362.39	490,540.61	479,676.04	10,864.57	3,880,686.35
353	10/27/2033	3,880,686.35	490,540.61	480,871.23	9,669.38	3,399,815.12
354	11/27/2033	3,399,815.12	490,540.61	482,069.40	8,471.21	2,917,745.72
355	12/27/2033	2,917,745.72	490,540.61	483,270.56	7,270.05	2,434,475.16
356	01/27/2034	2,434,475.16	490,540.61	484,474.71	6,065.90	1,950,000.45
357	02/27/2034	1,950,000.45	490,540.61	485,681.86	4,858.75	1,464,318.59

Schedule 7.1

Loan Amortization Schedule for Solaire Property Mortgage using 2.99% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	2.99%
Months	360
Payments	\$ 490,540.61

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
358	03/27/2034	1,464,318.59	490,540.61	486,892.02	3,648.59	977,426.57
359	04/27/2034	977,426.57	490,540.61	488,105.19	2,435.42	489,321.38
360	05/27/2034	489,321.38	490,540.61	489,321.38	1,219.23	(0.00)

Notes/Sources:

[1] I understand the mortgage was recorded with the New York State Housing and Finance Agency on May 27, 2004 for \$116,500,000.

Schedule 7.2

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A			B			C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance		
1	06/27/2004	\$ 116,500,000.00	\$ 561,575.31	\$ 165,475.31	\$ 396,100.00	\$ 116,334,524.69		
2	07/27/2004	116,334,524.69	561,575.31	166,037.92	395,537.38	116,168,486.77		
3	08/27/2004	116,168,486.77	561,575.31	166,602.45	394,972.86	116,001,884.32		
4	09/27/2004	116,001,884.32	561,575.31	167,168.90	394,406.41	115,834,715.42		
5	10/27/2004	115,834,715.42	561,575.31	167,737.27	393,838.03	115,666,978.15		
6	11/27/2004	115,666,978.15	561,575.31	168,307.58	393,267.73	115,498,670.57		
7	12/27/2004	115,498,670.57	561,575.31	168,879.83	392,695.48	115,329,790.74		
8	01/27/2005	115,329,790.74	561,575.31	169,454.02	392,121.29	115,160,336.72		
9	02/27/2005	115,160,336.72	561,575.31	170,030.16	391,545.14	114,990,306.56		
10	03/27/2005	114,990,306.56	561,575.31	170,608.26	390,967.04	114,819,698.30		
11	04/27/2005	114,819,698.30	561,575.31	171,188.33	390,386.97	114,648,509.96		
12	05/27/2005	114,648,509.96	561,575.31	171,770.37	389,804.93	114,476,739.59		
13	06/27/2005	114,476,739.59	561,575.31	172,354.39	389,220.91	114,304,385.20		
14	07/27/2005	114,304,385.20	561,575.31	172,940.40	388,634.91	114,131,444.80		
15	08/27/2005	114,131,444.80	561,575.31	173,528.39	388,046.91	113,957,916.41		
16	09/27/2005	113,957,916.41	561,575.31	174,118.39	387,456.92	113,783,798.02		
17	10/27/2005	113,783,798.02	561,575.31	174,710.39	386,864.91	113,609,087.63		
18	11/27/2005	113,609,087.63	561,575.31	175,304.41	386,270.90	113,433,783.22		
19	12/27/2005	113,433,783.22	561,575.31	175,900.44	385,674.86	113,257,882.77		
20	01/27/2006	113,257,882.77	561,575.31	176,498.50	385,076.80	113,081,384.27		
21	02/27/2006	113,081,384.27	561,575.31	177,098.60	384,476.71	112,904,285.67		

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
22	03/27/2006	112,904,285.67	561,575.31	177,700.74	383,874.57	112,726,584.93
23	04/27/2006	112,726,584.93	561,575.31	178,304.92	383,270.39	112,548,280.02
24	05/27/2006	112,548,280.02	561,575.31	178,911.15	382,664.15	112,369,368.86
25	06/27/2006	112,369,368.86	561,575.31	179,519.45	382,055.85	112,189,849.41
26	07/27/2006	112,189,849.41	561,575.31	180,129.82	381,445.49	112,009,719.59
27	08/27/2006	112,009,719.59	561,575.31	180,742.26	380,833.05	111,828,977.33
28	09/27/2006	111,828,977.33	561,575.31	181,356.78	380,218.52	111,647,620.55
29	10/27/2006	111,647,620.55	561,575.31	181,973.40	379,601.91	111,465,647.15
30	11/27/2006	111,465,647.15	561,575.31	182,592.11	378,983.20	111,283,055.05
31	12/27/2006	111,283,055.05	561,575.31	183,212.92	378,362.39	111,099,842.13
32	01/27/2007	111,099,842.13	561,575.31	183,835.84	377,739.46	110,916,006.29
33	02/27/2007	110,916,006.29	561,575.31	184,460.88	377,114.42	110,731,545.40
34	03/27/2007	110,731,545.40	561,575.31	185,088.05	376,487.25	110,546,457.35
35	04/27/2007	110,546,457.35	561,575.31	185,717.35	375,857.95	110,360,740.00
36	05/27/2007	110,360,740.00	561,575.31	186,348.79	375,226.52	110,174,391.21
37	06/27/2007	110,174,391.21	561,575.31	186,982.38	374,592.93	109,987,408.83
38	07/27/2007	109,987,408.83	561,575.31	187,618.12	373,957.19	109,799,790.71
39	08/27/2007	109,799,790.71	561,575.31	188,256.02	373,319.29	109,611,534.70
40	09/27/2007	109,611,534.70	561,575.31	188,896.09	372,679.22	109,422,638.61
41	10/27/2007	109,422,638.61	561,575.31	189,538.34	372,036.97	109,233,100.27
42	11/27/2007	109,233,100.27	561,575.31	190,182.77	371,392.54	109,042,917.51

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
43	12/27/2007	109,042,917.51	561,575.31	190,829.39	370,745.92	108,852,088.12
44	01/27/2008	108,852,088.12	561,575.31	191,478.21	370,097.10	108,660,609.91
45	02/27/2008	108,660,609.91	561,575.31	192,129.23	369,446.07	108,468,480.68
46	03/27/2008	108,468,480.68	561,575.31	192,782.47	368,792.83	108,275,698.21
47	04/27/2008	108,275,698.21	561,575.31	193,437.93	368,137.37	108,082,260.28
48	05/27/2008	108,082,260.28	561,575.31	194,095.62	367,479.68	107,888,164.66
49	06/27/2008	107,888,164.66	561,575.31	194,755.55	366,819.76	107,693,409.11
50	07/27/2008	107,693,409.11	561,575.31	195,417.72	366,157.59	107,497,991.39
51	08/27/2008	107,497,991.39	561,575.31	196,082.14	365,493.17	107,301,909.26
52	09/27/2008	107,301,909.26	561,575.31	196,748.81	364,826.49	107,105,160.44
53	10/27/2008	107,105,160.44	561,575.31	197,417.76	364,157.55	106,907,742.68
54	11/27/2008	106,907,742.68	561,575.31	198,088.98	363,486.33	106,709,653.70
55	12/27/2008	106,709,653.70	561,575.31	198,762.48	362,812.82	106,510,891.22
56	01/27/2009	106,510,891.22	561,575.31	199,438.28	362,137.03	106,311,452.94
57	02/27/2009	106,311,452.94	561,575.31	200,116.37	361,458.94	106,111,336.58
58	03/27/2009	106,111,336.58	561,575.31	200,796.76	360,778.54	105,910,539.81
59	04/27/2009	105,910,539.81	561,575.31	201,479.47	360,095.84	105,709,060.34
60	05/27/2009	105,709,060.34	561,575.31	202,164.50	359,410.81	105,506,895.84
61	06/27/2009	105,506,895.84	561,575.31	202,851.86	358,723.45	105,304,043.98
62	07/27/2009	105,304,043.98	561,575.31	203,541.56	358,033.75	105,100,502.42
63	08/27/2009	105,100,502.42	561,575.31	204,233.60	357,341.71	104,896,268.83

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A	B	C = A - B		
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
64	09/27/2009	104,896,268.83	561,575.31	204,927.99	356,647.31	104,691,340.83
65	10/27/2009	104,691,340.83	561,575.31	205,624.75	355,950.56	104,485,716.09
66	11/27/2009	104,485,716.09	561,575.31	206,323.87	355,251.43	104,279,392.22
67	12/27/2009	104,279,392.22	561,575.31	207,025.37	354,549.93	104,072,366.84
68	01/27/2010	104,072,366.84	561,575.31	207,729.26	353,846.05	103,864,637.58
69	02/27/2010	103,864,637.58	561,575.31	208,435.54	353,139.77	103,656,202.04
70	03/27/2010	103,656,202.04	561,575.31	209,144.22	352,431.09	103,447,057.83
71	04/27/2010	103,447,057.83	561,575.31	209,855.31	351,720.00	103,237,202.52
72	05/27/2010	103,237,202.52	561,575.31	210,568.82	351,006.49	103,026,633.70
73	06/27/2010	103,026,633.70	561,575.31	211,284.75	350,290.55	102,815,348.95
74	07/27/2010	102,815,348.95	561,575.31	212,003.12	349,572.19	102,603,345.83
75	08/27/2010	102,603,345.83	561,575.31	212,723.93	348,851.38	102,390,621.90
76	09/27/2010	102,390,621.90	561,575.31	213,447.19	348,128.11	102,177,174.70
77	10/27/2010	102,177,174.70	561,575.31	214,172.91	347,402.39	101,963,001.79
78	11/27/2010	101,963,001.79	561,575.31	214,901.10	346,674.21	101,748,100.69
79	12/27/2010	101,748,100.69	561,575.31	215,631.76	345,943.54	101,532,468.93
80	01/27/2011	101,532,468.93	561,575.31	216,364.91	345,210.39	101,316,104.02
81	02/27/2011	101,316,104.02	561,575.31	217,100.55	344,474.75	101,099,003.46
82	03/27/2011	101,099,003.46	561,575.31	217,838.69	343,736.61	100,881,164.77
83	04/27/2011	100,881,164.77	561,575.31	218,579.35	342,995.96	100,662,585.42
84	05/27/2011	100,662,585.42	561,575.31	219,322.52	342,252.79	100,443,262.91

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
85	06/27/2011	100,443,262.91	561,575.31	220,068.21	341,507.09	100,223,194.69
86	07/27/2011	100,223,194.69	561,575.31	220,816.44	340,758.86	100,002,378.25
87	08/27/2011	100,002,378.25	561,575.31	221,567.22	340,008.09	99,780,811.03
88	09/27/2011	99,780,811.03	561,575.31	222,320.55	339,254.76	99,558,490.48
89	10/27/2011	99,558,490.48	561,575.31	223,076.44	338,498.87	99,335,414.04
90	11/27/2011	99,335,414.04	561,575.31	223,834.90	337,740.41	99,111,579.14
91	12/27/2011	99,111,579.14	561,575.31	224,595.94	336,979.37	98,886,983.21
92	01/27/2012	98,886,983.21	561,575.31	225,359.56	336,215.74	98,661,623.64
93	02/27/2012	98,661,623.64	561,575.31	226,125.79	335,449.52	98,435,497.86
94	03/27/2012	98,435,497.86	561,575.31	226,894.61	334,680.69	98,208,603.24
95	04/27/2012	98,208,603.24	561,575.31	227,666.06	333,909.25	97,980,937.19
96	05/27/2012	97,980,937.19	561,575.31	228,440.12	333,135.19	97,752,497.07
97	06/27/2012	97,752,497.07	561,575.31	229,216.82	332,358.49	97,523,280.25
98	07/27/2012	97,523,280.25	561,575.31	229,996.15	331,579.15	97,293,284.10
99	08/27/2012	97,293,284.10	561,575.31	230,778.14	330,797.17	97,062,505.96
100	09/27/2012	97,062,505.96	561,575.31	231,562.79	330,012.52	96,830,943.17
101	10/27/2012	96,830,943.17	561,575.31	232,350.10	329,225.21	96,598,593.07
102	11/27/2012	96,598,593.07	561,575.31	233,140.09	328,435.22	96,365,452.98
103	12/27/2012	96,365,452.98	561,575.31	233,932.77	327,642.54	96,131,520.22
104	01/27/2013	96,131,520.22	561,575.31	234,728.14	326,847.17	95,896,792.08
105	02/27/2013	95,896,792.08	561,575.31	235,526.21	326,049.09	95,661,265.87

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
106	03/27/2013	95,661,265.87	561,575.31	236,327.00	325,248.30	95,424,938.86
107	04/27/2013	95,424,938.86	561,575.31	237,130.51	324,444.79	95,187,808.35
108	05/27/2013	95,187,808.35	561,575.31	237,936.76	323,638.55	94,949,871.59
109	06/27/2013	94,949,871.59	561,575.31	238,745.74	322,829.56	94,711,125.85
110	07/27/2013	94,711,125.85	561,575.31	239,557.48	322,017.83	94,471,568.37
111	08/27/2013	94,471,568.37	561,575.31	240,371.97	321,203.33	94,231,196.40
112	09/27/2013	94,231,196.40	561,575.31	241,189.24	320,386.07	93,990,007.16
113	10/27/2013	93,990,007.16	561,575.31	242,009.28	319,566.02	93,747,997.88
114	11/27/2013	93,747,997.88	561,575.31	242,832.11	318,743.19	93,505,165.76
115	12/27/2013	93,505,165.76	561,575.31	243,657.74	317,917.56	93,261,508.02
116	01/27/2014	93,261,508.02	561,575.31	244,486.18	317,089.13	93,017,021.84
117	02/27/2014	93,017,021.84	561,575.31	245,317.43	316,257.87	92,771,704.41
118	03/27/2014	92,771,704.41	561,575.31	246,151.51	315,423.79	92,525,552.90
119	04/27/2014	92,525,552.90	561,575.31	246,988.43	314,586.88	92,278,564.47
120	05/27/2014	92,278,564.47	561,575.31	247,828.19	313,747.12	92,030,736.28
121	06/27/2014	92,030,736.28	561,575.31	248,670.80	312,904.50	91,782,065.48
122	07/27/2014	91,782,065.48	561,575.31	249,516.28	312,059.02	91,532,549.20
123	08/27/2014	91,532,549.20	561,575.31	250,364.64	311,210.67	91,282,184.56
124	09/27/2014	91,282,184.56	561,575.31	251,215.88	310,359.43	91,030,968.68
125	10/27/2014	91,030,968.68	561,575.31	252,070.01	309,505.29	90,778,898.67
126	11/27/2014	90,778,898.67	561,575.31	252,927.05	308,648.26	90,525,971.62

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A	B	C = A - B		
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
127	12/27/2014	90,525,971.62	561,575.31	253,787.00	307,788.30	90,272,184.61
128	01/27/2015	90,272,184.61	561,575.31	254,649.88	306,925.43	90,017,534.73
129	02/27/2015	90,017,534.73	561,575.31	255,515.69	306,059.62	89,762,019.05
130	03/27/2015	89,762,019.05	561,575.31	256,384.44	305,190.86	89,505,634.61
131	04/27/2015	89,505,634.61	561,575.31	257,256.15	304,319.16	89,248,378.46
132	05/27/2015	89,248,378.46	561,575.31	258,130.82	303,444.49	88,990,247.64
133	06/27/2015	88,990,247.64	561,575.31	259,008.46	302,566.84	88,731,239.17
134	07/27/2015	88,731,239.17	561,575.31	259,889.09	301,686.21	88,471,350.08
135	08/27/2015	88,471,350.08	561,575.31	260,772.72	300,802.59	88,210,577.36
136	09/27/2015	88,210,577.36	561,575.31	261,659.34	299,915.96	87,948,918.02
137	10/27/2015	87,948,918.02	561,575.31	262,548.99	299,026.32	87,686,369.04
138	11/27/2015	87,686,369.04	561,575.31	263,441.65	298,133.65	87,422,927.38
139	12/27/2015	87,422,927.38	561,575.31	264,337.35	297,237.95	87,158,590.03
140	01/27/2016	87,158,590.03	561,575.31	265,236.10	296,339.21	86,893,353.93
141	02/27/2016	86,893,353.93	561,575.31	266,137.90	295,437.40	86,627,216.03
142	03/27/2016	86,627,216.03	561,575.31	267,042.77	294,532.53	86,360,173.26
143	04/27/2016	86,360,173.26	561,575.31	267,950.72	293,624.59	86,092,222.54
144	05/27/2016	86,092,222.54	561,575.31	268,861.75	292,713.56	85,823,360.79
145	06/27/2016	85,823,360.79	561,575.31	269,775.88	291,799.43	85,553,584.91
146	07/27/2016	85,553,584.91	561,575.31	270,693.12	290,882.19	85,282,891.79
147	08/27/2016	85,282,891.79	561,575.31	271,613.47	289,961.83	85,011,278.32

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A	B	C = A - B		
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
148	09/27/2016	85,011,278.32	561,575.31	272,536.96	289,038.35	84,738,741.36
149	10/27/2016	84,738,741.36	561,575.31	273,463.59	288,111.72	84,465,277.77
150	11/27/2016	84,465,277.77	561,575.31	274,393.36	287,181.94	84,190,884.41
151	12/27/2016	84,190,884.41	561,575.31	275,326.30	286,249.01	83,915,558.11
152	01/27/2017	83,915,558.11	561,575.31	276,262.41	285,312.90	83,639,295.70
153	02/27/2017	83,639,295.70	561,575.31	277,201.70	284,373.61	83,362,094.00
154	03/27/2017	83,362,094.00	561,575.31	278,144.19	283,431.12	83,083,949.81
155	04/27/2017	83,083,949.81	561,575.31	279,089.88	282,485.43	82,804,859.94
156	05/27/2017	82,804,859.94	561,575.31	280,038.78	281,536.52	82,524,821.15
157	06/27/2017	82,524,821.15	561,575.31	280,990.91	280,584.39	82,243,830.24
158	07/27/2017	82,243,830.24	561,575.31	281,946.28	279,629.02	81,961,883.96
159	08/27/2017	81,961,883.96	561,575.31	282,904.90	278,670.41	81,678,979.06
160	09/27/2017	81,678,979.06	561,575.31	283,866.78	277,708.53	81,395,112.28
161	10/27/2017	81,395,112.28	561,575.31	284,831.92	276,743.38	81,110,280.35
162	11/27/2017	81,110,280.35	561,575.31	285,800.35	275,774.95	80,824,480.00
163	12/27/2017	80,824,480.00	561,575.31	286,772.07	274,803.23	80,537,707.93
164	01/27/2018	80,537,707.93	561,575.31	287,747.10	273,828.21	80,249,960.83
165	02/27/2018	80,249,960.83	561,575.31	288,725.44	272,849.87	79,961,235.39
166	03/27/2018	79,961,235.39	561,575.31	289,707.11	271,868.20	79,671,528.28
167	04/27/2018	79,671,528.28	561,575.31	290,692.11	270,883.20	79,380,836.17
168	05/27/2018	79,380,836.17	561,575.31	291,680.46	269,894.84	79,089,155.71

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
169	06/27/2018	79,089,155.71	561,575.31	292,672.18	268,903.13	78,796,483.53
170	07/27/2018	78,796,483.53	561,575.31	293,667.26	267,908.04	78,502,816.27
171	08/27/2018	78,502,816.27	561,575.31	294,665.73	266,909.58	78,208,150.54
172	09/27/2018	78,208,150.54	561,575.31	295,667.59	265,907.71	77,912,482.94
173	10/27/2018	77,912,482.94	561,575.31	296,672.86	264,902.44	77,615,810.08
174	11/27/2018	77,615,810.08	561,575.31	297,681.55	263,893.75	77,318,128.53
175	12/27/2018	77,318,128.53	561,575.31	298,693.67	262,881.64	77,019,434.86
176	01/27/2019	77,019,434.86	561,575.31	299,709.23	261,866.08	76,719,725.63
177	02/27/2019	76,719,725.63	561,575.31	300,728.24	260,847.07	76,418,997.39
178	03/27/2019	76,418,997.39	561,575.31	301,750.72	259,824.59	76,117,246.68
179	04/27/2019	76,117,246.68	561,575.31	302,776.67	258,798.64	75,814,470.01
180	05/27/2019	75,814,470.01	561,575.31	303,806.11	257,769.20	75,510,663.90
181	06/27/2019	75,510,663.90	561,575.31	304,839.05	256,736.26	75,205,824.85
182	07/27/2019	75,205,824.85	561,575.31	305,875.50	255,699.80	74,899,949.35
183	08/27/2019	74,899,949.35	561,575.31	306,915.48	254,659.83	74,593,033.87
184	09/27/2019	74,593,033.87	561,575.31	307,958.99	253,616.32	74,285,074.88
185	10/27/2019	74,285,074.88	561,575.31	309,006.05	252,569.25	73,976,068.83
186	11/27/2019	73,976,068.83	561,575.31	310,056.67	251,518.63	73,666,012.16
187	12/27/2019	73,666,012.16	561,575.31	311,110.86	250,464.44	73,354,901.29
188	01/27/2020	73,354,901.29	561,575.31	312,168.64	249,406.66	73,042,732.65
189	02/27/2020	73,042,732.65	561,575.31	313,230.02	248,345.29	72,729,502.63

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
190	03/27/2020	72,729,502.63	561,575.31	314,295.00	247,280.31	72,415,207.64
191	04/27/2020	72,415,207.64	561,575.31	315,363.60	246,211.71	72,099,844.04
192	05/27/2020	72,099,844.04	561,575.31	316,435.84	245,139.47	71,783,408.20
193	06/27/2020	71,783,408.20	561,575.31	317,511.72	244,063.59	71,465,896.48
194	07/27/2020	71,465,896.48	561,575.31	318,591.26	242,984.05	71,147,305.22
195	08/27/2020	71,147,305.22	561,575.31	319,674.47	241,900.84	70,827,630.75
196	09/27/2020	70,827,630.75	561,575.31	320,761.36	240,813.94	70,506,869.39
197	10/27/2020	70,506,869.39	561,575.31	321,851.95	239,723.36	70,185,017.44
198	11/27/2020	70,185,017.44	561,575.31	322,946.25	238,629.06	69,862,071.20
199	12/27/2020	69,862,071.20	561,575.31	324,044.26	237,531.04	69,538,026.93
200	01/27/2021	69,538,026.93	561,575.31	325,146.01	236,429.29	69,212,880.92
201	02/27/2021	69,212,880.92	561,575.31	326,251.51	235,323.80	68,886,629.40
202	03/27/2021	68,886,629.40	561,575.31	327,360.77	234,214.54	68,559,268.64
203	04/27/2021	68,559,268.64	561,575.31	328,473.79	233,101.51	68,230,794.85
204	05/27/2021	68,230,794.85	561,575.31	329,590.60	231,984.70	67,901,204.24
205	06/27/2021	67,901,204.24	561,575.31	330,711.21	230,864.09	67,570,493.03
206	07/27/2021	67,570,493.03	561,575.31	331,835.63	229,739.68	67,238,657.40
207	08/27/2021	67,238,657.40	561,575.31	332,963.87	228,611.44	66,905,693.53
208	09/27/2021	66,905,693.53	561,575.31	334,095.95	227,479.36	66,571,597.58
209	10/27/2021	66,571,597.58	561,575.31	335,231.87	226,343.43	66,236,365.71
210	11/27/2021	66,236,365.71	561,575.31	336,371.66	225,203.64	65,899,994.04

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
211	12/27/2021	65,899,994.04	561,575.31	337,515.33	224,059.98	65,562,478.72
212	01/27/2022	65,562,478.72	561,575.31	338,662.88	222,912.43	65,223,815.84
213	02/27/2022	65,223,815.84	561,575.31	339,814.33	221,760.97	64,884,001.51
214	03/27/2022	64,884,001.51	561,575.31	340,969.70	220,605.61	64,543,031.80
215	04/27/2022	64,543,031.80	561,575.31	342,129.00	219,446.31	64,200,902.81
216	05/27/2022	64,200,902.81	561,575.31	343,292.24	218,283.07	63,857,610.57
217	06/27/2022	63,857,610.57	561,575.31	344,459.43	217,115.88	63,513,151.14
218	07/27/2022	63,513,151.14	561,575.31	345,630.59	215,944.71	63,167,520.55
219	08/27/2022	63,167,520.55	561,575.31	346,805.74	214,769.57	62,820,714.81
220	09/27/2022	62,820,714.81	561,575.31	347,984.88	213,590.43	62,472,729.93
221	10/27/2022	62,472,729.93	561,575.31	349,168.02	212,407.28	62,123,561.91
222	11/27/2022	62,123,561.91	561,575.31	350,355.20	211,220.11	61,773,206.71
223	12/27/2022	61,773,206.71	561,575.31	351,546.40	210,028.90	61,421,660.31
224	01/27/2023	61,421,660.31	561,575.31	352,741.66	208,833.65	61,068,918.65
225	02/27/2023	61,068,918.65	561,575.31	353,940.98	207,634.32	60,714,977.67
226	03/27/2023	60,714,977.67	561,575.31	355,144.38	206,430.92	60,359,833.28
227	04/27/2023	60,359,833.28	561,575.31	356,351.87	205,223.43	60,003,481.41
228	05/27/2023	60,003,481.41	561,575.31	357,563.47	204,011.84	59,645,917.94
229	06/27/2023	59,645,917.94	561,575.31	358,779.19	202,796.12	59,287,138.76
230	07/27/2023	59,287,138.76	561,575.31	359,999.03	201,576.27	58,927,139.72
231	08/27/2023	58,927,139.72	561,575.31	361,223.03	200,352.28	58,565,916.69

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
232	09/27/2023	58,565,916.69	561,575.31	362,451.19	199,124.12	58,203,465.50
233	10/27/2023	58,203,465.50	561,575.31	363,683.52	197,891.78	57,839,781.98
234	11/27/2023	57,839,781.98	561,575.31	364,920.05	196,655.26	57,474,861.93
235	12/27/2023	57,474,861.93	561,575.31	366,160.78	195,414.53	57,108,701.15
236	01/27/2024	57,108,701.15	561,575.31	367,405.72	194,169.58	56,741,295.43
237	02/27/2024	56,741,295.43	561,575.31	368,654.90	192,920.40	56,372,640.53
238	03/27/2024	56,372,640.53	561,575.31	369,908.33	191,666.98	56,002,732.20
239	04/27/2024	56,002,732.20	561,575.31	371,166.02	190,409.29	55,631,566.18
240	05/27/2024	55,631,566.18	561,575.31	372,427.98	189,147.33	55,259,138.20
241	06/27/2024	55,259,138.20	561,575.31	373,694.24	187,881.07	54,885,443.97
242	07/27/2024	54,885,443.97	561,575.31	374,964.80	186,610.51	54,510,479.17
243	08/27/2024	54,510,479.17	561,575.31	376,239.68	185,335.63	54,134,239.49
244	09/27/2024	54,134,239.49	561,575.31	377,518.89	184,056.41	53,756,720.60
245	10/27/2024	53,756,720.60	561,575.31	378,802.46	182,772.85	53,377,918.14
246	11/27/2024	53,377,918.14	561,575.31	380,090.38	181,484.92	52,997,827.76
247	12/27/2024	52,997,827.76	561,575.31	381,382.69	180,192.61	52,616,445.07
248	01/27/2025	52,616,445.07	561,575.31	382,679.39	178,895.91	52,233,765.68
249	02/27/2025	52,233,765.68	561,575.31	383,980.50	177,594.80	51,849,785.17
250	03/27/2025	51,849,785.17	561,575.31	385,286.04	176,289.27	51,464,499.14
251	04/27/2025	51,464,499.14	561,575.31	386,596.01	174,979.30	51,077,903.13
252	05/27/2025	51,077,903.13	561,575.31	387,910.44	173,664.87	50,689,992.69

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
253	06/27/2025	50,689,992.69	561,575.31	389,229.33	172,345.98	50,300,763.36
254	07/27/2025	50,300,763.36	561,575.31	390,552.71	171,022.60	49,910,210.65
255	08/27/2025	49,910,210.65	561,575.31	391,880.59	169,694.72	49,518,330.06
256	09/27/2025	49,518,330.06	561,575.31	393,212.98	168,362.32	49,125,117.07
257	10/27/2025	49,125,117.07	561,575.31	394,549.91	167,025.40	48,730,567.17
258	11/27/2025	48,730,567.17	561,575.31	395,891.38	165,683.93	48,334,675.79
259	12/27/2025	48,334,675.79	561,575.31	397,237.41	164,337.90	47,937,438.38
260	01/27/2026	47,937,438.38	561,575.31	398,588.02	162,987.29	47,538,850.36
261	02/27/2026	47,538,850.36	561,575.31	399,943.22	161,632.09	47,138,907.15
262	03/27/2026	47,138,907.15	561,575.31	401,303.02	160,272.28	46,737,604.13
263	04/27/2026	46,737,604.13	561,575.31	402,667.45	158,907.85	46,334,936.67
264	05/27/2026	46,334,936.67	561,575.31	404,036.52	157,538.78	45,930,900.15
265	06/27/2026	45,930,900.15	561,575.31	405,410.25	156,165.06	45,525,489.91
266	07/27/2026	45,525,489.91	561,575.31	406,788.64	154,786.67	45,118,701.27
267	08/27/2026	45,118,701.27	561,575.31	408,171.72	153,403.58	44,710,529.54
268	09/27/2026	44,710,529.54	561,575.31	409,559.51	152,015.80	44,300,970.04
269	10/27/2026	44,300,970.04	561,575.31	410,952.01	150,623.30	43,890,018.03
270	11/27/2026	43,890,018.03	561,575.31	412,349.24	149,226.06	43,477,668.79
271	12/27/2026	43,477,668.79	561,575.31	413,751.23	147,824.07	43,063,917.55
272	01/27/2027	43,063,917.55	561,575.31	415,157.99	146,417.32	42,648,759.57
273	02/27/2027	42,648,759.57	561,575.31	416,569.52	145,005.78	42,232,190.04

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
274	03/27/2027	42,232,190.04	561,575.31	417,985.86	143,589.45	41,814,204.18
275	04/27/2027	41,814,204.18	561,575.31	419,407.01	142,168.29	41,394,797.17
276	05/27/2027	41,394,797.17	561,575.31	420,833.00	140,742.31	40,973,964.17
277	06/27/2027	40,973,964.17	561,575.31	422,263.83	139,311.48	40,551,700.35
278	07/27/2027	40,551,700.35	561,575.31	423,699.53	137,875.78	40,128,000.82
279	08/27/2027	40,128,000.82	561,575.31	425,140.10	136,435.20	39,702,860.72
280	09/27/2027	39,702,860.72	561,575.31	426,585.58	134,989.73	39,276,275.14
281	10/27/2027	39,276,275.14	561,575.31	428,035.97	133,539.34	38,848,239.17
282	11/27/2027	38,848,239.17	561,575.31	429,491.29	132,084.01	38,418,747.87
283	12/27/2027	38,418,747.87	561,575.31	430,951.56	130,623.74	37,987,796.31
284	01/27/2028	37,987,796.31	561,575.31	432,416.80	129,158.51	37,555,379.51
285	02/27/2028	37,555,379.51	561,575.31	433,887.02	127,688.29	37,121,492.50
286	03/27/2028	37,121,492.50	561,575.31	435,362.23	126,213.07	36,686,130.26
287	04/27/2028	36,686,130.26	561,575.31	436,842.46	124,732.84	36,249,287.80
288	05/27/2028	36,249,287.80	561,575.31	438,327.73	123,247.58	35,810,960.07
289	06/27/2028	35,810,960.07	561,575.31	439,818.04	121,757.26	35,371,142.03
290	07/27/2028	35,371,142.03	561,575.31	441,313.42	120,261.88	34,929,828.61
291	08/27/2028	34,929,828.61	561,575.31	442,813.89	118,761.42	34,487,014.72
292	09/27/2028	34,487,014.72	561,575.31	444,319.46	117,255.85	34,042,695.26
293	10/27/2028	34,042,695.26	561,575.31	445,830.14	115,745.16	33,596,865.12
294	11/27/2028	33,596,865.12	561,575.31	447,345.96	114,229.34	33,149,519.16

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
295	12/27/2028	33,149,519.16	561,575.31	448,866.94	112,708.37	32,700,652.21
296	01/27/2029	32,700,652.21	561,575.31	450,393.09	111,182.22	32,250,259.13
297	02/27/2029	32,250,259.13	561,575.31	451,924.43	109,650.88	31,798,334.70
298	03/27/2029	31,798,334.70	561,575.31	453,460.97	108,114.34	31,344,873.73
299	04/27/2029	31,344,873.73	561,575.31	455,002.74	106,572.57	30,889,871.00
300	05/27/2029	30,889,871.00	561,575.31	456,549.74	105,025.56	30,433,321.25
301	06/27/2029	30,433,321.25	561,575.31	458,102.01	103,473.29	29,975,219.24
302	07/27/2029	29,975,219.24	561,575.31	459,659.56	101,915.75	29,515,559.68
303	08/27/2029	29,515,559.68	561,575.31	461,222.40	100,352.90	29,054,337.27
304	09/27/2029	29,054,337.27	561,575.31	462,790.56	98,784.75	28,591,546.71
305	10/27/2029	28,591,546.71	561,575.31	464,364.05	97,211.26	28,127,182.67
306	11/27/2029	28,127,182.67	561,575.31	465,942.89	95,632.42	27,661,239.78
307	12/27/2029	27,661,239.78	561,575.31	467,527.09	94,048.22	27,193,712.69
308	01/27/2030	27,193,712.69	561,575.31	469,116.68	92,458.62	26,724,596.01
309	02/27/2030	26,724,596.01	561,575.31	470,711.68	90,863.63	26,253,884.33
310	03/27/2030	26,253,884.33	561,575.31	472,312.10	89,263.21	25,781,572.23
311	04/27/2030	25,781,572.23	561,575.31	473,917.96	87,657.35	25,307,654.27
312	05/27/2030	25,307,654.27	561,575.31	475,529.28	86,046.02	24,832,124.98
313	06/27/2030	24,832,124.98	561,575.31	477,146.08	84,429.22	24,354,978.90
314	07/27/2030	24,354,978.90	561,575.31	478,768.38	82,806.93	23,876,210.52
315	08/27/2030	23,876,210.52	561,575.31	480,396.19	81,179.12	23,395,814.33

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
316	09/27/2030	23,395,814.33	561,575.31	482,029.54	79,545.77	22,913,784.80
317	10/27/2030	22,913,784.80	561,575.31	483,668.44	77,906.87	22,430,116.36
318	11/27/2030	22,430,116.36	561,575.31	485,312.91	76,262.40	21,944,803.45
319	12/27/2030	21,944,803.45	561,575.31	486,962.97	74,612.33	21,457,840.47
320	01/27/2031	21,457,840.47	561,575.31	488,618.65	72,956.66	20,969,221.83
321	02/27/2031	20,969,221.83	561,575.31	490,279.95	71,295.35	20,478,941.87
322	03/27/2031	20,478,941.87	561,575.31	491,946.90	69,628.40	19,986,994.97
323	04/27/2031	19,986,994.97	561,575.31	493,619.52	67,955.78	19,493,375.45
324	05/27/2031	19,493,375.45	561,575.31	495,297.83	66,277.48	18,998,077.62
325	06/27/2031	18,998,077.62	561,575.31	496,981.84	64,593.46	18,501,095.77
326	07/27/2031	18,501,095.77	561,575.31	498,671.58	62,903.73	18,002,424.19
327	08/27/2031	18,002,424.19	561,575.31	500,367.06	61,208.24	17,502,057.13
328	09/27/2031	17,502,057.13	561,575.31	502,068.31	59,506.99	16,999,988.82
329	10/27/2031	16,999,988.82	561,575.31	503,775.34	57,799.96	16,496,213.47
330	11/27/2031	16,496,213.47	561,575.31	505,488.18	56,087.13	15,990,725.29
331	12/27/2031	15,990,725.29	561,575.31	507,206.84	54,368.47	15,483,518.45
332	01/27/2032	15,483,518.45	561,575.31	508,931.34	52,643.96	14,974,587.11
333	02/27/2032	14,974,587.11	561,575.31	510,661.71	50,913.60	14,463,925.40
334	03/27/2032	14,463,925.40	561,575.31	512,397.96	49,177.35	13,951,527.44
335	04/27/2032	13,951,527.44	561,575.31	514,140.11	47,435.19	13,437,387.32
336	05/27/2032	13,437,387.32	561,575.31	515,888.19	45,687.12	12,921,499.14

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
337	06/27/2032	12,921,499.14	561,575.31	517,642.21	43,933.10	12,403,856.93
338	07/27/2032	12,403,856.93	561,575.31	519,402.19	42,173.11	11,884,454.73
339	08/27/2032	11,884,454.73	561,575.31	521,168.16	40,407.15	11,363,286.57
340	09/27/2032	11,363,286.57	561,575.31	522,940.13	38,635.17	10,840,346.44
341	10/27/2032	10,840,346.44	561,575.31	524,718.13	36,857.18	10,315,628.31
342	11/27/2032	10,315,628.31	561,575.31	526,502.17	35,073.14	9,789,126.14
343	12/27/2032	9,789,126.14	561,575.31	528,292.28	33,283.03	9,260,833.87
344	01/27/2033	9,260,833.87	561,575.31	530,088.47	31,486.84	8,730,745.39
345	02/27/2033	8,730,745.39	561,575.31	531,890.77	29,684.53	8,198,854.62
346	03/27/2033	8,198,854.62	561,575.31	533,699.20	27,876.11	7,665,155.42
347	04/27/2033	7,665,155.42	561,575.31	535,513.78	26,061.53	7,129,641.64
348	05/27/2033	7,129,641.64	561,575.31	537,334.52	24,240.78	6,592,307.12
349	06/27/2033	6,592,307.12	561,575.31	539,161.46	22,413.84	6,053,145.66
350	07/27/2033	6,053,145.66	561,575.31	540,994.61	20,580.70	5,512,151.05
351	08/27/2033	5,512,151.05	561,575.31	542,833.99	18,741.31	4,969,317.05
352	09/27/2033	4,969,317.05	561,575.31	544,679.63	16,895.68	4,424,637.43
353	10/27/2033	4,424,637.43	561,575.31	546,531.54	15,043.77	3,878,105.89
354	11/27/2033	3,878,105.89	561,575.31	548,389.75	13,185.56	3,329,716.14
355	12/27/2033	3,329,716.14	561,575.31	550,254.27	11,321.03	2,779,461.87
356	01/27/2034	2,779,461.87	561,575.31	552,125.14	9,450.17	2,227,336.73
357	02/27/2034	2,227,336.73	561,575.31	554,002.36	7,572.94	1,673,334.37

Schedule 7.2

Loan Amortization Schedule for Solaire Property Mortgage using 4.08% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	4.08%
Months	360
Payments	\$ 561,575.31

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
358	03/27/2034	1,673,334.37	561,575.31	555,885.97	5,689.34	1,117,448.40
359	04/27/2034	1,117,448.40	561,575.31	557,775.98	3,799.32	559,672.42
360	05/27/2034	559,672.42	561,575.31	559,672.42	1,902.89	(0.00)

Notes/Sources:

[1] I understand the mortgage was recorded with the New York State Housing and Finance Agency on May 27, 2004 for \$116,500,000.

Schedule 7.3

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		A			B			C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance		
1	06/27/2004	\$ 116,500,000.00	\$ 854,835.73	\$ 78,169.06	\$ 776,666.67	\$ 116,421,830.94		
2	07/27/2004	116,421,830.94	854,835.73	78,690.19	776,145.54	116,343,140.75		
3	08/27/2004	116,343,140.75	854,835.73	79,214.79	775,620.94	116,263,925.96		
4	09/27/2004	116,263,925.96	854,835.73	79,742.89	775,092.84	116,184,183.07		
5	10/27/2004	116,184,183.07	854,835.73	80,274.51	774,561.22	116,103,908.56		
6	11/27/2004	116,103,908.56	854,835.73	80,809.67	774,026.06	116,023,098.89		
7	12/27/2004	116,023,098.89	854,835.73	81,348.40	773,487.33	115,941,750.49		
8	01/27/2005	115,941,750.49	854,835.73	81,890.73	772,945.00	115,859,859.76		
9	02/27/2005	115,859,859.76	854,835.73	82,436.66	772,399.07	115,777,423.10		
10	03/27/2005	115,777,423.10	854,835.73	82,986.24	771,849.49	115,694,436.86		
11	04/27/2005	115,694,436.86	854,835.73	83,539.48	771,296.25	115,610,897.37		
12	05/27/2005	115,610,897.37	854,835.73	84,096.41	770,739.32	115,526,800.96		
13	06/27/2005	115,526,800.96	854,835.73	84,657.06	770,178.67	115,442,143.91		
14	07/27/2005	115,442,143.91	854,835.73	85,221.44	769,614.29	115,356,922.47		
15	08/27/2005	115,356,922.47	854,835.73	85,789.58	769,046.15	115,271,132.89		
16	09/27/2005	115,271,132.89	854,835.73	86,361.51	768,474.22	115,184,771.38		
17	10/27/2005	115,184,771.38	854,835.73	86,937.25	767,898.48	115,097,834.13		
18	11/27/2005	115,097,834.13	854,835.73	87,516.83	767,318.89	115,010,317.30		
19	12/27/2005	115,010,317.30	854,835.73	88,100.28	766,735.45	114,922,217.02		
20	01/27/2006	114,922,217.02	854,835.73	88,687.62	766,148.11	114,833,529.40		
21	02/27/2006	114,833,529.40	854,835.73	89,278.87	765,556.86	114,744,250.53		

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
22	03/27/2006	114,744,250.53	854,835.73	89,874.06	764,961.67	114,654,376.48
23	04/27/2006	114,654,376.48	854,835.73	90,473.22	764,362.51	114,563,903.26
24	05/27/2006	114,563,903.26	854,835.73	91,076.37	763,759.36	114,472,826.88
25	06/27/2006	114,472,826.88	854,835.73	91,683.55	763,152.18	114,381,143.33
26	07/27/2006	114,381,143.33	854,835.73	92,294.77	762,540.96	114,288,848.56
27	08/27/2006	114,288,848.56	854,835.73	92,910.07	761,925.66	114,195,938.49
28	09/27/2006	114,195,938.49	854,835.73	93,529.47	761,306.26	114,102,409.02
29	10/27/2006	114,102,409.02	854,835.73	94,153.00	760,682.73	114,008,256.02
30	11/27/2006	114,008,256.02	854,835.73	94,780.69	760,055.04	113,913,475.33
31	12/27/2006	113,913,475.33	854,835.73	95,412.56	759,423.17	113,818,062.77
32	01/27/2007	113,818,062.77	854,835.73	96,048.64	758,787.09	113,722,014.12
33	02/27/2007	113,722,014.12	854,835.73	96,688.97	758,146.76	113,625,325.16
34	03/27/2007	113,625,325.16	854,835.73	97,333.56	757,502.17	113,527,991.60
35	04/27/2007	113,527,991.60	854,835.73	97,982.45	756,853.28	113,430,009.15
36	05/27/2007	113,430,009.15	854,835.73	98,635.67	756,200.06	113,331,373.48
37	06/27/2007	113,331,373.48	854,835.73	99,293.24	755,542.49	113,232,080.24
38	07/27/2007	113,232,080.24	854,835.73	99,955.19	754,880.53	113,132,125.05
39	08/27/2007	113,132,125.05	854,835.73	100,621.56	754,214.17	113,031,503.48
40	09/27/2007	113,031,503.48	854,835.73	101,292.37	753,543.36	112,930,211.11
41	10/27/2007	112,930,211.11	854,835.73	101,967.65	752,868.07	112,828,243.46
42	11/27/2007	112,828,243.46	854,835.73	102,647.44	752,188.29	112,725,596.02

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
43	12/27/2007	112,725,596.02	854,835.73	103,331.76	751,503.97	112,622,264.26
44	01/27/2008	112,622,264.26	854,835.73	104,020.63	750,815.10	112,518,243.63
45	02/27/2008	112,518,243.63	854,835.73	104,714.10	750,121.62	112,413,529.53
46	03/27/2008	112,413,529.53	854,835.73	105,412.20	749,423.53	112,308,117.33
47	04/27/2008	112,308,117.33	854,835.73	106,114.95	748,720.78	112,202,002.38
48	05/27/2008	112,202,002.38	854,835.73	106,822.38	748,013.35	112,095,180.00
49	06/27/2008	112,095,180.00	854,835.73	107,534.53	747,301.20	111,987,645.47
50	07/27/2008	111,987,645.47	854,835.73	108,251.43	746,584.30	111,879,394.05
51	08/27/2008	111,879,394.05	854,835.73	108,973.10	745,862.63	111,770,420.95
52	09/27/2008	111,770,420.95	854,835.73	109,699.59	745,136.14	111,660,721.36
53	10/27/2008	111,660,721.36	854,835.73	110,430.92	744,404.81	111,550,290.44
54	11/27/2008	111,550,290.44	854,835.73	111,167.13	743,668.60	111,439,123.31
55	12/27/2008	111,439,123.31	854,835.73	111,908.24	742,927.49	111,327,215.07
56	01/27/2009	111,327,215.07	854,835.73	112,654.29	742,181.43	111,214,560.78
57	02/27/2009	111,214,560.78	854,835.73	113,405.32	741,430.41	111,101,155.45
58	03/27/2009	111,101,155.45	854,835.73	114,161.36	740,674.37	110,986,994.09
59	04/27/2009	110,986,994.09	854,835.73	114,922.43	739,913.29	110,872,071.66
60	05/27/2009	110,872,071.66	854,835.73	115,688.58	739,147.14	110,756,383.08
61	06/27/2009	110,756,383.08	854,835.73	116,459.84	738,375.89	110,639,923.23
62	07/27/2009	110,639,923.23	854,835.73	117,236.24	737,599.49	110,522,686.99
63	08/27/2009	110,522,686.99	854,835.73	118,017.82	736,817.91	110,404,669.18

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
64	09/27/2009	110,404,669.18	854,835.73	118,804.60	736,031.13	110,285,864.58
65	10/27/2009	110,285,864.58	854,835.73	119,596.63	735,239.10	110,166,267.95
66	11/27/2009	110,166,267.95	854,835.73	120,393.94	734,441.79	110,045,874.00
67	12/27/2009	110,045,874.00	854,835.73	121,196.57	733,639.16	109,924,677.44
68	01/27/2010	109,924,677.44	854,835.73	122,004.55	732,831.18	109,802,672.89
69	02/27/2010	109,802,672.89	854,835.73	122,817.91	732,017.82	109,679,854.98
70	03/27/2010	109,679,854.98	854,835.73	123,636.70	731,199.03	109,556,218.29
71	04/27/2010	109,556,218.29	854,835.73	124,460.94	730,374.79	109,431,757.35
72	05/27/2010	109,431,757.35	854,835.73	125,290.68	729,545.05	109,306,466.67
73	06/27/2010	109,306,466.67	854,835.73	126,125.95	728,709.78	109,180,340.72
74	07/27/2010	109,180,340.72	854,835.73	126,966.79	727,868.94	109,053,373.92
75	08/27/2010	109,053,373.92	854,835.73	127,813.24	727,022.49	108,925,560.69
76	09/27/2010	108,925,560.69	854,835.73	128,665.32	726,170.40	108,796,895.36
77	10/27/2010	108,796,895.36	854,835.73	129,523.09	725,312.64	108,667,372.27
78	11/27/2010	108,667,372.27	854,835.73	130,386.58	724,449.15	108,536,985.69
79	12/27/2010	108,536,985.69	854,835.73	131,255.82	723,579.90	108,405,729.87
80	01/27/2011	108,405,729.87	854,835.73	132,130.86	722,704.87	108,273,599.01
81	02/27/2011	108,273,599.01	854,835.73	133,011.74	721,823.99	108,140,587.27
82	03/27/2011	108,140,587.27	854,835.73	133,898.48	720,937.25	108,006,688.79
83	04/27/2011	108,006,688.79	854,835.73	134,791.14	720,044.59	107,871,897.65
84	05/27/2011	107,871,897.65	854,835.73	135,689.74	719,145.98	107,736,207.91

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
85	06/27/2011	107,736,207.91	854,835.73	136,594.34	718,241.39	107,599,613.57
86	07/27/2011	107,599,613.57	854,835.73	137,504.97	717,330.76	107,462,108.60
87	08/27/2011	107,462,108.60	854,835.73	138,421.67	716,414.06	107,323,686.92
88	09/27/2011	107,323,686.92	854,835.73	139,344.48	715,491.25	107,184,342.44
89	10/27/2011	107,184,342.44	854,835.73	140,273.45	714,562.28	107,044,069.00
90	11/27/2011	107,044,069.00	854,835.73	141,208.60	713,627.13	106,902,860.39
91	12/27/2011	106,902,860.39	854,835.73	142,149.99	712,685.74	106,760,710.40
92	01/27/2012	106,760,710.40	854,835.73	143,097.66	711,738.07	106,617,612.74
93	02/27/2012	106,617,612.74	854,835.73	144,051.64	710,784.08	106,473,561.10
94	03/27/2012	106,473,561.10	854,835.73	145,011.99	709,823.74	106,328,549.11
95	04/27/2012	106,328,549.11	854,835.73	145,978.73	708,856.99	106,182,570.38
96	05/27/2012	106,182,570.38	854,835.73	146,951.93	707,883.80	106,035,618.45
97	06/27/2012	106,035,618.45	854,835.73	147,931.61	706,904.12	105,887,686.84
98	07/27/2012	105,887,686.84	854,835.73	148,917.82	705,917.91	105,738,769.03
99	08/27/2012	105,738,769.03	854,835.73	149,910.60	704,925.13	105,588,858.43
100	09/27/2012	105,588,858.43	854,835.73	150,910.01	703,925.72	105,437,948.42
101	10/27/2012	105,437,948.42	854,835.73	151,916.07	702,919.66	105,286,032.35
102	11/27/2012	105,286,032.35	854,835.73	152,928.85	701,906.88	105,133,103.50
103	12/27/2012	105,133,103.50	854,835.73	153,948.37	700,887.36	104,979,155.13
104	01/27/2013	104,979,155.13	854,835.73	154,974.69	699,861.03	104,824,180.44
105	02/27/2013	104,824,180.44	854,835.73	156,007.86	698,827.87	104,668,172.58

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
106	03/27/2013	104,668,172.58	854,835.73	157,047.91	697,787.82	104,511,124.67
107	04/27/2013	104,511,124.67	854,835.73	158,094.90	696,740.83	104,353,029.77
108	05/27/2013	104,353,029.77	854,835.73	159,148.86	695,686.87	104,193,880.90
109	06/27/2013	104,193,880.90	854,835.73	160,209.86	694,625.87	104,033,671.05
110	07/27/2013	104,033,671.05	854,835.73	161,277.92	693,557.81	103,872,393.13
111	08/27/2013	103,872,393.13	854,835.73	162,353.11	692,482.62	103,710,040.02
112	09/27/2013	103,710,040.02	854,835.73	163,435.46	691,400.27	103,546,604.56
113	10/27/2013	103,546,604.56	854,835.73	164,525.03	690,310.70	103,382,079.53
114	11/27/2013	103,382,079.53	854,835.73	165,621.87	689,213.86	103,216,457.66
115	12/27/2013	103,216,457.66	854,835.73	166,726.01	688,109.72	103,049,731.65
116	01/27/2014	103,049,731.65	854,835.73	167,837.52	686,998.21	102,881,894.13
117	02/27/2014	102,881,894.13	854,835.73	168,956.43	685,879.29	102,712,937.70
118	03/27/2014	102,712,937.70	854,835.73	170,082.81	684,752.92	102,542,854.89
119	04/27/2014	102,542,854.89	854,835.73	171,216.70	683,619.03	102,371,638.19
120	05/27/2014	102,371,638.19	854,835.73	172,358.14	682,477.59	102,199,280.05
121	06/27/2014	102,199,280.05	854,835.73	173,507.19	681,328.53	102,025,772.86
122	07/27/2014	102,025,772.86	854,835.73	174,663.91	680,171.82	101,851,108.95
123	08/27/2014	101,851,108.95	854,835.73	175,828.34	679,007.39	101,675,280.61
124	09/27/2014	101,675,280.61	854,835.73	177,000.52	677,835.20	101,498,280.09
125	10/27/2014	101,498,280.09	854,835.73	178,180.53	676,655.20	101,320,099.56
126	11/27/2014	101,320,099.56	854,835.73	179,368.40	675,467.33	101,140,731.16

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
127	12/27/2014	101,140,731.16	854,835.73	180,564.19	674,271.54	100,960,166.97
128	01/27/2015	100,960,166.97	854,835.73	181,767.95	673,067.78	100,778,399.02
129	02/27/2015	100,778,399.02	854,835.73	182,979.74	671,855.99	100,595,419.29
130	03/27/2015	100,595,419.29	854,835.73	184,199.60	670,636.13	100,411,219.69
131	04/27/2015	100,411,219.69	854,835.73	185,427.60	669,408.13	100,225,792.09
132	05/27/2015	100,225,792.09	854,835.73	186,663.78	668,171.95	100,039,128.31
133	06/27/2015	100,039,128.31	854,835.73	187,908.21	666,927.52	99,851,220.10
134	07/27/2015	99,851,220.10	854,835.73	189,160.93	665,674.80	99,662,059.18
135	08/27/2015	99,662,059.18	854,835.73	190,422.00	664,413.73	99,471,637.18
136	09/27/2015	99,471,637.18	854,835.73	191,691.48	663,144.25	99,279,945.69
137	10/27/2015	99,279,945.69	854,835.73	192,969.42	661,866.30	99,086,976.27
138	11/27/2015	99,086,976.27	854,835.73	194,255.89	660,579.84	98,892,720.38
139	12/27/2015	98,892,720.38	854,835.73	195,550.93	659,284.80	98,697,169.46
140	01/27/2016	98,697,169.46	854,835.73	196,854.60	657,981.13	98,500,314.86
141	02/27/2016	98,500,314.86	854,835.73	198,166.96	656,668.77	98,302,147.90
142	03/27/2016	98,302,147.90	854,835.73	199,488.08	655,347.65	98,102,659.82
143	04/27/2016	98,102,659.82	854,835.73	200,818.00	654,017.73	97,901,841.82
144	05/27/2016	97,901,841.82	854,835.73	202,156.78	652,678.95	97,699,685.04
145	06/27/2016	97,699,685.04	854,835.73	203,504.49	651,331.23	97,496,180.55
146	07/27/2016	97,496,180.55	854,835.73	204,861.19	649,974.54	97,291,319.35
147	08/27/2016	97,291,319.35	854,835.73	206,226.93	648,608.80	97,085,092.42

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
148	09/27/2016	97,085,092.42	854,835.73	207,601.78	647,233.95	96,877,490.64
149	10/27/2016	96,877,490.64	854,835.73	208,985.79	645,849.94	96,668,504.85
150	11/27/2016	96,668,504.85	854,835.73	210,379.03	644,456.70	96,458,125.82
151	12/27/2016	96,458,125.82	854,835.73	211,781.56	643,054.17	96,246,344.27
152	01/27/2017	96,246,344.27	854,835.73	213,193.43	641,642.30	96,033,150.83
153	02/27/2017	96,033,150.83	854,835.73	214,614.72	640,221.01	95,818,536.11
154	03/27/2017	95,818,536.11	854,835.73	216,045.49	638,790.24	95,602,490.62
155	04/27/2017	95,602,490.62	854,835.73	217,485.79	637,349.94	95,385,004.83
156	05/27/2017	95,385,004.83	854,835.73	218,935.70	635,900.03	95,166,069.13
157	06/27/2017	95,166,069.13	854,835.73	220,395.27	634,440.46	94,945,673.87
158	07/27/2017	94,945,673.87	854,835.73	221,864.57	632,971.16	94,723,809.30
159	08/27/2017	94,723,809.30	854,835.73	223,343.67	631,492.06	94,500,465.63
160	09/27/2017	94,500,465.63	854,835.73	224,832.62	630,003.10	94,275,633.01
161	10/27/2017	94,275,633.01	854,835.73	226,331.51	628,504.22	94,049,301.50
162	11/27/2017	94,049,301.50	854,835.73	227,840.39	626,995.34	93,821,461.11
163	12/27/2017	93,821,461.11	854,835.73	229,359.32	625,476.41	93,592,101.79
164	01/27/2018	93,592,101.79	854,835.73	230,888.38	623,947.35	93,361,213.41
165	02/27/2018	93,361,213.41	854,835.73	232,427.64	622,408.09	93,128,785.77
166	03/27/2018	93,128,785.77	854,835.73	233,977.16	620,858.57	92,894,808.61
167	04/27/2018	92,894,808.61	854,835.73	235,537.00	619,298.72	92,659,271.61
168	05/27/2018	92,659,271.61	854,835.73	237,107.25	617,728.48	92,422,164.36

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		A		B		C = A - B
		Beginning		Principal	Interest	Ending Balance
Payment No.	Payment Date	Balance	Payment			
169	06/27/2018	92,422,164.36	854,835.73	238,687.97	616,147.76	92,183,476.39
170	07/27/2018	92,183,476.39	854,835.73	240,279.22	614,556.51	91,943,197.17
171	08/27/2018	91,943,197.17	854,835.73	241,881.08	612,954.65	91,701,316.09
172	09/27/2018	91,701,316.09	854,835.73	243,493.62	611,342.11	91,457,822.47
173	10/27/2018	91,457,822.47	854,835.73	245,116.91	609,718.82	91,212,705.56
174	11/27/2018	91,212,705.56	854,835.73	246,751.02	608,084.70	90,965,954.53
175	12/27/2018	90,965,954.53	854,835.73	248,396.03	606,439.70	90,717,558.50
176	01/27/2019	90,717,558.50	854,835.73	250,052.01	604,783.72	90,467,506.49
177	02/27/2019	90,467,506.49	854,835.73	251,719.02	603,116.71	90,215,787.48
178	03/27/2019	90,215,787.48	854,835.73	253,397.15	601,438.58	89,962,390.33
179	04/27/2019	89,962,390.33	854,835.73	255,086.46	599,749.27	89,707,303.87
180	05/27/2019	89,707,303.87	854,835.73	256,787.04	598,048.69	89,450,516.83
181	06/27/2019	89,450,516.83	854,835.73	258,498.95	596,336.78	89,192,017.88
182	07/27/2019	89,192,017.88	854,835.73	260,222.28	594,613.45	88,931,795.61
183	08/27/2019	88,931,795.61	854,835.73	261,957.09	592,878.64	88,669,838.52
184	09/27/2019	88,669,838.52	854,835.73	263,703.47	591,132.26	88,406,135.05
185	10/27/2019	88,406,135.05	854,835.73	265,461.49	589,374.23	88,140,673.55
186	11/27/2019	88,140,673.55	854,835.73	267,231.24	587,604.49	87,873,442.31
187	12/27/2019	87,873,442.31	854,835.73	269,012.78	585,822.95	87,604,429.53
188	01/27/2020	87,604,429.53	854,835.73	270,806.20	584,029.53	87,333,623.33
189	02/27/2020	87,333,623.33	854,835.73	272,611.57	582,224.16	87,061,011.76

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		A		B		C = A - B
		Beginning		Principal	Interest	Ending Balance
Payment No.	Payment Date	Balance	Payment			
190	03/27/2020	87,061,011.76	854,835.73	274,428.98	580,406.75	86,786,582.78
191	04/27/2020	86,786,582.78	854,835.73	276,258.51	578,577.22	86,510,324.27
192	05/27/2020	86,510,324.27	854,835.73	278,100.23	576,735.50	86,232,224.03
193	06/27/2020	86,232,224.03	854,835.73	279,954.24	574,881.49	85,952,269.80
194	07/27/2020	85,952,269.80	854,835.73	281,820.60	573,015.13	85,670,449.20
195	08/27/2020	85,670,449.20	854,835.73	283,699.40	571,136.33	85,386,749.80
196	09/27/2020	85,386,749.80	854,835.73	285,590.73	569,245.00	85,101,159.07
197	10/27/2020	85,101,159.07	854,835.73	287,494.67	567,341.06	84,813,664.40
198	11/27/2020	84,813,664.40	854,835.73	289,411.30	565,424.43	84,524,253.10
199	12/27/2020	84,524,253.10	854,835.73	291,340.71	563,495.02	84,232,912.40
200	01/27/2021	84,232,912.40	854,835.73	293,282.98	561,552.75	83,939,629.42
201	02/27/2021	83,939,629.42	854,835.73	295,238.20	559,597.53	83,644,391.22
202	03/27/2021	83,644,391.22	854,835.73	297,206.45	557,629.27	83,347,184.76
203	04/27/2021	83,347,184.76	854,835.73	299,187.83	555,647.90	83,047,996.93
204	05/27/2021	83,047,996.93	854,835.73	301,182.42	553,653.31	82,746,814.52
205	06/27/2021	82,746,814.52	854,835.73	303,190.30	551,645.43	82,443,624.22
206	07/27/2021	82,443,624.22	854,835.73	305,211.57	549,624.16	82,138,412.65
207	08/27/2021	82,138,412.65	854,835.73	307,246.31	547,589.42	81,831,166.34
208	09/27/2021	81,831,166.34	854,835.73	309,294.62	545,541.11	81,521,871.72
209	10/27/2021	81,521,871.72	854,835.73	311,356.58	543,479.14	81,210,515.14
210	11/27/2021	81,210,515.14	854,835.73	313,432.29	541,403.43	80,897,082.84

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
211	12/27/2021	80,897,082.84	854,835.73	315,521.84	539,313.89	80,581,561.00
212	01/27/2022	80,581,561.00	854,835.73	317,625.32	537,210.41	80,263,935.68
213	02/27/2022	80,263,935.68	854,835.73	319,742.82	535,092.90	79,944,192.86
214	03/27/2022	79,944,192.86	854,835.73	321,874.44	532,961.29	79,622,318.41
215	04/27/2022	79,622,318.41	854,835.73	324,020.27	530,815.46	79,298,298.14
216	05/27/2022	79,298,298.14	854,835.73	326,180.41	528,655.32	78,972,117.73
217	06/27/2022	78,972,117.73	854,835.73	328,354.94	526,480.78	78,643,762.79
218	07/27/2022	78,643,762.79	854,835.73	330,543.98	524,291.75	78,313,218.81
219	08/27/2022	78,313,218.81	854,835.73	332,747.60	522,088.13	77,980,471.21
220	09/27/2022	77,980,471.21	854,835.73	334,965.92	519,869.81	77,645,505.29
221	10/27/2022	77,645,505.29	854,835.73	337,199.03	517,636.70	77,308,306.26
222	11/27/2022	77,308,306.26	854,835.73	339,447.02	515,388.71	76,968,859.24
223	12/27/2022	76,968,859.24	854,835.73	341,710.00	513,125.73	76,627,149.24
224	01/27/2023	76,627,149.24	854,835.73	343,988.07	510,847.66	76,283,161.17
225	02/27/2023	76,283,161.17	854,835.73	346,281.32	508,554.41	75,936,879.85
226	03/27/2023	75,936,879.85	854,835.73	348,589.86	506,245.87	75,588,289.99
227	04/27/2023	75,588,289.99	854,835.73	350,913.80	503,921.93	75,237,376.20
228	05/27/2023	75,237,376.20	854,835.73	353,253.22	501,582.51	74,884,122.98
229	06/27/2023	74,884,122.98	854,835.73	355,608.24	499,227.49	74,528,514.73
230	07/27/2023	74,528,514.73	854,835.73	357,978.96	496,856.76	74,170,535.77
231	08/27/2023	74,170,535.77	854,835.73	360,365.49	494,470.24	73,810,170.28

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		A		B		C = A - B
		Beginning		Principal	Interest	Ending Balance
Payment No.	Payment Date	Balance	Payment			
232	09/27/2023	73,810,170.28	854,835.73	362,767.93	492,067.80	73,447,402.35
233	10/27/2023	73,447,402.35	854,835.73	365,186.38	489,649.35	73,082,215.97
234	11/27/2023	73,082,215.97	854,835.73	367,620.96	487,214.77	72,714,595.02
235	12/27/2023	72,714,595.02	854,835.73	370,071.76	484,763.97	72,344,523.26
236	01/27/2024	72,344,523.26	854,835.73	372,538.91	482,296.82	71,971,984.35
237	02/27/2024	71,971,984.35	854,835.73	375,022.50	479,813.23	71,596,961.85
238	03/27/2024	71,596,961.85	854,835.73	377,522.65	477,313.08	71,219,439.20
239	04/27/2024	71,219,439.20	854,835.73	380,039.47	474,796.26	70,839,399.73
240	05/27/2024	70,839,399.73	854,835.73	382,573.06	472,262.66	70,456,826.67
241	06/27/2024	70,456,826.67	854,835.73	385,123.55	469,712.18	70,071,703.12
242	07/27/2024	70,071,703.12	854,835.73	387,691.04	467,144.69	69,684,012.08
243	08/27/2024	69,684,012.08	854,835.73	390,275.65	464,560.08	69,293,736.43
244	09/27/2024	69,293,736.43	854,835.73	392,877.49	461,958.24	68,900,858.94
245	10/27/2024	68,900,858.94	854,835.73	395,496.67	459,339.06	68,505,362.27
246	11/27/2024	68,505,362.27	854,835.73	398,133.31	456,702.42	68,107,228.96
247	12/27/2024	68,107,228.96	854,835.73	400,787.54	454,048.19	67,706,441.43
248	01/27/2025	67,706,441.43	854,835.73	403,459.45	451,376.28	67,302,981.97
249	02/27/2025	67,302,981.97	854,835.73	406,149.18	448,686.55	66,896,832.79
250	03/27/2025	66,896,832.79	854,835.73	408,856.84	445,978.89	66,487,975.95
251	04/27/2025	66,487,975.95	854,835.73	411,582.56	443,253.17	66,076,393.39
252	05/27/2025	66,076,393.39	854,835.73	414,326.44	440,509.29	65,662,066.95

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		A		B		C = A - B
		Beginning				
Payment No.	Payment Date	Balance	Payment	Principal	Interest	Ending Balance
253	06/27/2025	65,662,066.95	854,835.73	417,088.62	437,747.11	65,244,978.34
254	07/27/2025	65,244,978.34	854,835.73	419,869.21	434,966.52	64,825,109.13
255	08/27/2025	64,825,109.13	854,835.73	422,668.33	432,167.39	64,402,440.80
256	09/27/2025	64,402,440.80	854,835.73	425,486.12	429,349.61	63,976,954.67
257	10/27/2025	63,976,954.67	854,835.73	428,322.70	426,513.03	63,548,631.98
258	11/27/2025	63,548,631.98	854,835.73	431,178.18	423,657.55	63,117,453.79
259	12/27/2025	63,117,453.79	854,835.73	434,052.70	420,783.03	62,683,401.09
260	01/27/2026	62,683,401.09	854,835.73	436,946.39	417,889.34	62,246,454.70
261	02/27/2026	62,246,454.70	854,835.73	439,859.36	414,976.36	61,806,595.34
262	03/27/2026	61,806,595.34	854,835.73	442,791.76	412,043.97	61,363,803.58
263	04/27/2026	61,363,803.58	854,835.73	445,743.70	409,092.02	60,918,059.87
264	05/27/2026	60,918,059.87	854,835.73	448,715.33	406,120.40	60,469,344.55
265	06/27/2026	60,469,344.55	854,835.73	451,706.76	403,128.96	60,017,637.78
266	07/27/2026	60,017,637.78	854,835.73	454,718.14	400,117.59	59,562,919.64
267	08/27/2026	59,562,919.64	854,835.73	457,749.60	397,086.13	59,105,170.04
268	09/27/2026	59,105,170.04	854,835.73	460,801.26	394,034.47	58,644,368.78
269	10/27/2026	58,644,368.78	854,835.73	463,873.27	390,962.46	58,180,495.51
270	11/27/2026	58,180,495.51	854,835.73	466,965.76	387,869.97	57,713,529.75
271	12/27/2026	57,713,529.75	854,835.73	470,078.86	384,756.86	57,243,450.89
272	01/27/2027	57,243,450.89	854,835.73	473,212.72	381,623.01	56,770,238.16
273	02/27/2027	56,770,238.16	854,835.73	476,367.47	378,468.25	56,293,870.69

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
274	03/27/2027	56,293,870.69	854,835.73	479,543.26	375,292.47	55,814,327.43
275	04/27/2027	55,814,327.43	854,835.73	482,740.21	372,095.52	55,331,587.22
276	05/27/2027	55,331,587.22	854,835.73	485,958.48	368,877.25	54,845,628.74
277	06/27/2027	54,845,628.74	854,835.73	489,198.20	365,637.52	54,356,430.53
278	07/27/2027	54,356,430.53	854,835.73	492,459.53	362,376.20	53,863,971.01
279	08/27/2027	53,863,971.01	854,835.73	495,742.59	359,093.14	53,368,228.42
280	09/27/2027	53,368,228.42	854,835.73	499,047.54	355,788.19	52,869,180.88
281	10/27/2027	52,869,180.88	854,835.73	502,374.52	352,461.21	52,366,806.36
282	11/27/2027	52,366,806.36	854,835.73	505,723.69	349,112.04	51,861,082.67
283	12/27/2027	51,861,082.67	854,835.73	509,095.18	345,740.55	51,351,987.50
284	01/27/2028	51,351,987.50	854,835.73	512,489.15	342,346.58	50,839,498.35
285	02/27/2028	50,839,498.35	854,835.73	515,905.74	338,929.99	50,323,592.61
286	03/27/2028	50,323,592.61	854,835.73	519,345.11	335,490.62	49,804,247.50
287	04/27/2028	49,804,247.50	854,835.73	522,807.41	332,028.32	49,281,440.09
288	05/27/2028	49,281,440.09	854,835.73	526,292.79	328,542.93	48,755,147.29
289	06/27/2028	48,755,147.29	854,835.73	529,801.41	325,034.32	48,225,345.88
290	07/27/2028	48,225,345.88	854,835.73	533,333.42	321,502.31	47,692,012.46
291	08/27/2028	47,692,012.46	854,835.73	536,888.98	317,946.75	47,155,123.48
292	09/27/2028	47,155,123.48	854,835.73	540,468.24	314,367.49	46,614,655.24
293	10/27/2028	46,614,655.24	854,835.73	544,071.36	310,764.37	46,070,583.88
294	11/27/2028	46,070,583.88	854,835.73	547,698.50	307,137.23	45,522,885.38

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		A		B		C = A - B
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
295	12/27/2028	45,522,885.38	854,835.73	551,349.83	303,485.90	44,971,535.55
296	01/27/2029	44,971,535.55	854,835.73	555,025.49	299,810.24	44,416,510.06
297	02/27/2029	44,416,510.06	854,835.73	558,725.66	296,110.07	43,857,784.40
298	03/27/2029	43,857,784.40	854,835.73	562,450.50	292,385.23	43,295,333.90
299	04/27/2029	43,295,333.90	854,835.73	566,200.17	288,635.56	42,729,133.73
300	05/27/2029	42,729,133.73	854,835.73	569,974.84	284,860.89	42,159,158.89
301	06/27/2029	42,159,158.89	854,835.73	573,774.67	281,061.06	41,585,384.22
302	07/27/2029	41,585,384.22	854,835.73	577,599.83	277,235.89	41,007,784.39
303	08/27/2029	41,007,784.39	854,835.73	581,450.50	273,385.23	40,426,333.89
304	09/27/2029	40,426,333.89	854,835.73	585,326.84	269,508.89	39,841,007.05
305	10/27/2029	39,841,007.05	854,835.73	589,229.01	265,606.71	39,251,778.04
306	11/27/2029	39,251,778.04	854,835.73	593,157.21	261,678.52	38,658,620.83
307	12/27/2029	38,658,620.83	854,835.73	597,111.59	257,724.14	38,061,509.24
308	01/27/2030	38,061,509.24	854,835.73	601,092.33	253,743.39	37,460,416.91
309	02/27/2030	37,460,416.91	854,835.73	605,099.62	249,736.11	36,855,317.29
310	03/27/2030	36,855,317.29	854,835.73	609,133.61	245,702.12	36,246,183.68
311	04/27/2030	36,246,183.68	854,835.73	613,194.50	241,641.22	35,632,989.17
312	05/27/2030	35,632,989.17	854,835.73	617,282.47	237,553.26	35,015,706.71
313	06/27/2030	35,015,706.71	854,835.73	621,397.68	233,438.04	34,394,309.02
314	07/27/2030	34,394,309.02	854,835.73	625,540.34	229,295.39	33,768,768.69
315	08/27/2030	33,768,768.69	854,835.73	629,710.60	225,125.12	33,139,058.08

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
316	09/27/2030	33,139,058.08	854,835.73	633,908.67	220,927.05	32,505,149.41
317	10/27/2030	32,505,149.41	854,835.73	638,134.73	216,701.00	31,867,014.68
318	11/27/2030	31,867,014.68	854,835.73	642,388.96	212,446.76	31,224,625.71
319	12/27/2030	31,224,625.71	854,835.73	646,671.56	208,164.17	30,577,954.16
320	01/27/2031	30,577,954.16	854,835.73	650,982.70	203,853.03	29,926,971.45
321	02/27/2031	29,926,971.45	854,835.73	655,322.59	199,513.14	29,271,648.87
322	03/27/2031	29,271,648.87	854,835.73	659,691.40	195,144.33	28,611,957.47
323	04/27/2031	28,611,957.47	854,835.73	664,089.35	190,746.38	27,947,868.12
324	05/27/2031	27,947,868.12	854,835.73	668,516.61	186,319.12	27,279,351.51
325	06/27/2031	27,279,351.51	854,835.73	672,973.39	181,862.34	26,606,378.13
326	07/27/2031	26,606,378.13	854,835.73	677,459.87	177,375.85	25,928,918.25
327	08/27/2031	25,928,918.25	854,835.73	681,976.27	172,859.46	25,246,941.98
328	09/27/2031	25,246,941.98	854,835.73	686,522.78	168,312.95	24,560,419.20
329	10/27/2031	24,560,419.20	854,835.73	691,099.60	163,736.13	23,869,319.60
330	11/27/2031	23,869,319.60	854,835.73	695,706.93	159,128.80	23,173,612.67
331	12/27/2031	23,173,612.67	854,835.73	700,344.98	154,490.75	22,473,267.69
332	01/27/2032	22,473,267.69	854,835.73	705,013.94	149,821.78	21,768,253.74
333	02/27/2032	21,768,253.74	854,835.73	709,714.04	145,121.69	21,058,539.71
334	03/27/2032	21,058,539.71	854,835.73	714,445.46	140,390.26	20,344,094.24
335	04/27/2032	20,344,094.24	854,835.73	719,208.43	135,627.29	19,624,885.81
336	05/27/2032	19,624,885.81	854,835.73	724,003.16	130,832.57	18,900,882.65

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
337	06/27/2032	18,900,882.65	854,835.73	728,829.84	126,005.88	18,172,052.81
338	07/27/2032	18,172,052.81	854,835.73	733,688.71	121,147.02	17,438,364.10
339	08/27/2032	17,438,364.10	854,835.73	738,579.97	116,255.76	16,699,784.13
340	09/27/2032	16,699,784.13	854,835.73	743,503.83	111,331.89	15,956,280.30
341	10/27/2032	15,956,280.30	854,835.73	748,460.53	106,375.20	15,207,819.77
342	11/27/2032	15,207,819.77	854,835.73	753,450.26	101,385.47	14,454,369.51
343	12/27/2032	14,454,369.51	854,835.73	758,473.27	96,362.46	13,695,896.24
344	01/27/2033	13,695,896.24	854,835.73	763,529.75	91,305.97	12,932,366.49
345	02/27/2033	12,932,366.49	854,835.73	768,619.95	86,215.78	12,163,746.54
346	03/27/2033	12,163,746.54	854,835.73	773,744.08	81,091.64	11,390,002.45
347	04/27/2033	11,390,002.45	854,835.73	778,902.38	75,933.35	10,611,100.07
348	05/27/2033	10,611,100.07	854,835.73	784,095.06	70,740.67	9,827,005.01
349	06/27/2033	9,827,005.01	854,835.73	789,322.36	65,513.37	9,037,682.65
350	07/27/2033	9,037,682.65	854,835.73	794,584.51	60,251.22	8,243,098.14
351	08/27/2033	8,243,098.14	854,835.73	799,881.74	54,953.99	7,443,216.40
352	09/27/2033	7,443,216.40	854,835.73	805,214.29	49,621.44	6,638,002.11
353	10/27/2033	6,638,002.11	854,835.73	810,582.38	44,253.35	5,827,419.73
354	11/27/2033	5,827,419.73	854,835.73	815,986.26	38,849.46	5,011,433.47
355	12/27/2033	5,011,433.47	854,835.73	821,426.17	33,409.56	4,190,007.29
356	01/27/2034	4,190,007.29	854,835.73	826,902.35	27,933.38	3,363,104.95
357	02/27/2034	3,363,104.95	854,835.73	832,415.03	22,420.70	2,530,689.92

Schedule 7.3

Loan Amortization Schedule for Solaire Property Mortgage using 8.00% Interest Rate

Amount	\$ 116,500,000
Monthly Interest Rate	8.00%
Months	360
Payments	\$ 854,835.73

		<i>A</i>		<i>B</i>		<i>C = A - B</i>
Payment No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
358	03/27/2034	2,530,689.92	854,835.73	837,964.46	16,871.27	1,692,725.46
359	04/27/2034	1,692,725.46	854,835.73	843,550.89	11,284.84	849,174.56
360	05/27/2034	849,174.56	854,835.73	849,174.56	5,661.16	(0.00)

Notes/Sources:

[1] I understand the mortgage was recorded with the New York State Housing and Finance Agency on May 27, 2004 for \$116,500,000.